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Measures for Peace in Central America

A Conference Report
by
Liisa North

Proceedings of the Roundtable on Interim and Confidence-Building Measures in Central America

Ottawa, 8-9 May 1987

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The Canadian Institute for International Peace and Security was established by Parliament on 15 August, 1984. It is the purpose of the Institute to increase knowledge and understanding of the issues relating to international peace and security from a Canadian perspective, with particular emphasis on arms control, disarmament, defence and conflict resolution.

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Preface

Part of the Institute's mandate is to encourage public discussion of issues relating to peace and security. One way in which we try to further this objective is by supporting conferences on relevant topics; we participate in such meetings, assist them financially, and in some instances publish a report of their proceedings.

The first report in this series recorded the proceedings of the Roundtable on Negotiations for Peace in Central America, of September 1985. At the time, we noted that the issue was in the forefront of international news and was also one which aroused a great deal of interest on the part of the Canadian public. This is even more obvious today, and is the reason we are publishing the proceedings of the second Roundtable on Central America which was held in May 1987.

Events have moved rapidly since this second conference took place, and much of what was only then conjecture has now been realized. An up-to-date account of these developments forms an introduction to the record of the meeting itself, and we hope it will be of value in providing the background information required for an understanding of this complex issue.

Geoffrey Pearson
Executive Director

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with the assistance of
Steven Baranyi
and Julie Leonard

Summary of the proceedings of the Roundtable
on Interim and Confidence-Building Measures in Central America
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INTRODUCTION

Canada occupies a unique position in the Americas. An ally of the United States, Canada actively supports the Contadora process, enjoys good relations with the Latin American nations and maintains a substantial development assistance programme in Central America. A member of the Commonwealth and of *la Francophonie*, Canada is actively involved in the peacekeeping missions and other activities of the United Nations. As various observers have noted, these are aspects of an intermediary role which Canada can play both in the Americas and globally, a role that could become increasingly important in regional conflict resolution. Numerous polls have shown that there is strong domestic public support for advancing negotiated solutions in Central America. Canadian non-governmental organizations (NGOs) and churches sponsor a wide variety of humanitarian and development assistance projects in the region, participate actively in foreign policy debates and also favour an enhanced Canadian role in peace promotion.

Public concern with promoting peace in Central America, combined with extensive governmental experience in international peacekeeping, have led the Canadian government on several occasions to provide technical advice to Contadora on verification and control mechanisms needed for the effective implementation of a peace treaty. Recently, it offered these services for the implementation of the accord signed in Guatemala on 7 August 1987, by the five Central American Presidents.

The holding of a Roundtable in Ottawa on Interim and Confidence-Building Measures in Central America reflects Canada's position as an intermediary. The Roundtable focused on bilateral and multilateral policy initiatives that could contribute to the Contadora-led peace process. More than forty participants, from Latin America, the United States, Europe and Canada — government officials, representatives of international organizations, academics and members of a broad range of NGOs — analyzed the current situation and debated policy options in four sessions held over two days: 8-9 May 1987. These centred on the following themes: Present and Future Prospects for Peace in Central America; Interim and Confidence-Building Measures — the Instruments available; Interim and Confidence-Building Measures — the Politics and Mechanics of Implementation; Multilateral and Third-Party Roles and Initiatives. The first two sessions explored the positions of different governments and the principal issues involved in the Central American conflict; the third and fourth sessions focused on the policy alternatives available for reaching settlements.

In order to place the Roundtable discussions in context, Section I of this report consists of brief examinations of the Contadora peace process and related initiatives; the costs of continuing conflict; Canadian policy toward the region; the meaning and significance of confidence-building measures (CBMs).

As in the preceding Roundtable on Negotiations for Peace in Central America, held 27-28 September 1985, participants were asked to respond to a set of questions circulated before the meetings.

Summaries of the proceedings form Section II of this report. These are presented thematically rather than following the actual sequence of the discussions. Participants are not identified in the text since the sessions were held *in camera*. It should be remembered that the Roundtable was held prior to the signing of the Guatemala Accord by the Central American heads of state.

The Roundtable was sponsored by:
*Canada-Caribbean-Central America Policy Alternatives (CAPA), a project housed at the Jesuit Centre for Social Faith and Justice, Toronto.

In co-operation with:
*Canadian Institute for International Peace and Security (CIIPS)
*Centre for Research on Latin America and the Caribbean (CERLAC), York University
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Both the Roundtables owe much to the support of the late Bishop Adolphe Proulx, an advocate of world peace, who was deeply concerned with the situation in Latin America.

I.

THE SITUATION IN CENTRAL AMERICA

The shadow of the United States was a primordial factor in the assertion of a Latin American political, diplomatic and cultural identity since the nineteenth century. Whenever Latin America has moved to deal radically with its conflictive heritage, it has clashed with the incapacity of the United States to come to terms with four intimately interrelated issues: Nationalism and Change, Redistribution of Power and Negotiations.

Carlos Fuentes[1]

1. The Contadora Process

The accord signed in Guatemala by the Presidents of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua on 7 August 1987, represents a historic step forward in the search for peace. Entitled "Procedure for the Establishment of a Strong and Lasting Peace in Central America," the Guatemala Accord is the result of: a tenacious four-and-a-half-year negotiation process led by the Contadora Group, composed of Colombia, Mexico, Panama and Venezuela; the diplomatic backing provided by the Contadora Support Group — Argentina, Brazil, Peru and Uruguay; and a ten-point peace plan presented by Costa Rica's President, Oscar Arias Sanchez, in February 1987. For his part in this process President Arias was awarded the Nobel Peace Prize in October, 1987.

The document signed by the Central American Presidents, and variously referred to as the Guatemala or Esquipulas II Accord or Agreement, reflects historic change within the inter-American system. It is an assertion of Latin American autonomy and determination to chart the region's future. The five Presidents agreed on a modified version of the Arias proposal in the negotiations conducted with the participation of the Contadora and Support groups; they did not consider a significantly different proposal which was presented by the President of the United States on 5 August 1987.

The Contadora Group was formed in January 1983 to seek diplomatic solutions to the escalation of conflict in Central America. Since then, several versions of a comprehensive draft treaty, the latest in June 1986, have been presented by Contadora for consideration by the region's governments. These draft treaties have included provisions for the

[1] Carlos Fuentes, *Latin America at War with the Past*, Montreal: CBC Enterprises, 1985, p. 45.

withdrawal of foreign military advisers; restrictions on arms imports and on the holding of foreign military bases and the cessation of aid to irregular forces; the establishment of a Verification and Control Commission, composed of an international corps of inspectors, to monitor the implementation of the security clauses. In addition, the treaties have addressed the origins of conflict — social and economic injustice and the lack of democratic development — without prescribing a particular political system for their resolution in any nation.

On two occasions, September 1984 and June 1986, Nicaragua agreed to the Contadora proposals. On both occasions, however, the United States persuaded other Central American nations to voice reservations concerning control and verification as well as other matters. Although several key security clauses still remain to be negotiated, the core issue remains the draft treaties' call for regional and extra-regional governments to cease giving support to armed opposition groups. This provision conflicts with the Reagan Administration's policy of military assistance to the *contras*, who seek to overthrow the Sandinista government and reverse the revolutionary process that began in 1979 with the deposition of the Somoza family dictatorship, which had ruled Nicaragua since the 1930s.

While Contadora leaders have interpreted the Nicaraguan Revolution (as well as the rise of insurgencies in other Central American countries) as a response to longstanding socio-economic and political problems, the Reagan Administration has viewed it as a manifestation of Soviet and Cuban expansionism. Even before his election, the President's advisers had already concluded that "the Americas are under external and internal attack. Latin America . . . is being overrun by Soviet supported and supplied Satellites and Surrogates." Accordingly, the United States has been unwilling to recognize the legitimacy of the Sandinista government.

In March 1981, shortly after his inauguration, President Reagan authorized $19 million[2] for covert operations against Nicaragua. With the assistance of the Central Intelligence Agency (CIA), a counter-revolutionary military force — the *contras*, commanded by deposed dictator Somoza's former National Guardsmen — was organized in Honduras. Later, *contra* operations were also directed from Costa Rica and El Salvador. In the course of the so-called secret war, it was revealed that the United States had mined Nicaragua's harbours and organized attacks on its oil storage installations during 1983-84. When Nicaragua took the case to the International Court of Justice (ICJ), the

[2] All currency figures are in US dollars unless otherwise indicated.

United States suspended , for two years, its recognition of the Court's jurisdiction on matters related to Central America. By mid-1987, the *contras* had received at least $180 million in official United States military aid, in addition to logistic and material support, as well as donations from private sources and United States allies. Nevertheless, the *contras* have not succeeded in establishing a territorial base within Nicaragua or in gaining significant popular support.

In addition to organizing and sustaining the military opposition to the Sandinista government, the United States has worked to isolate Nicargua economically. Its representatives in international financial institutions have consistently voted against loans to the country. The United States has also attempted to persuade its Western allies not to provide aid to Nicaragua. All bilateral trade between the two countries was cut off in May 1985.

Despite its declared support for the Contadora process, the United States has repeatedly opposed all initiatives implying the disbandment of the *contras* and recognition of the legitimacy of the Sandinista government. At a news conference in February 1985, President Reagan stated that his objective was "to remove [the Nicaraguan government] in the sense of its present structure." A leaked National Security Council memorandum of October 1984 noted: "We have effectively blocked Contadora group efforts to impose a second draft of the Revised Contadora Act." A May 1986 White House document, made public during the Iran-*contra* hearings, referred to the Administration's efforts to block possible agreement on the June 1986 draft treaty. The strategy outlined in the document involved "denouncing the Sandinistas for refusing to negotiate" while portraying the treaty as unacceptable to the other nations of the region.

These Reagan Administration policies towards Nicaragua, and especially the support provided to the *contras*, were discussed at length in the course of the Roundtable.

In conjunction with their efforts to arrive at a comprehensive settlement, the Contadora and Support groups have repeatedly encouraged bilateral discussions between the United States and Nicaragua. Several meetings between the two governments did take place in Manzanillo, Mexico, during the second half of 1984 but the talks were eventually broken off by the United States. In July 1985, the United States rejected a call by the Foreign Ministers of the Contadora Group to resume the bilateral talks.

The Support Group was formed in mid-1985 to generate momentum for an apparently stalled peace process. In January 1986, the Foreign

Ministers of the Contadora and Support groups met in Caraballeda, Venezuela, to discuss specific recommendations for reducing tensions and promoting a peace agreement. In the "Declaration of Caraballeda," they called for a Latin American solution to the regional crisis, non-intervention in the affairs of other states, a cessation of external support for irregular forces, a freeze on arms purchases, arms reductions and the withdrawal of foreign military advisers, among other measures. Subsequently, in February, they met with Secretary of State George Shultz and asked the United States to co-operate with their efforts at negotiation by halting aid to the *contras*. Their request was rejected.

Although the peace process appeared to reach an impasse in 1986, both international developments and conversations among the Central American countries took on new dimensions. Contadora-aided negotiations between Costa Rica and Nicaragua on the establishment of a border commission did not reach the implementation state; nevertheless, in May, for the first time since the Nicaraguan Revolution, the region's heads of state held a summit — in Esquipulas, Guatemala — where they agreed to continue dialogue, hold regular meetings and proceed towards the establishment of a Central American Parliament. In June, the ICJ ruled that the United States had broken international law by "training, equipping, financing and supplying the *contra* forces" and mining Nicaragua's harbours. The Court asked the United States to cease its illegal activities and pay reparations. In November, the UN General Assembly called on the United States to abide by the decision, and the Secretaries-General of the UN and the Organization of America States (OAS) — acting together for the first time — offered their services to Contadora. In addition, the institutionalization of the Contadora and Support groups reached a new level: at their December meeting in Rio de Janeiro, their Foreign Ministers announced the conversion of Contadora into a process of consultation on general issues of importance to Latin America.

Conversations on economic co-operation among all the Central American states also continued through a forum organized by the European Economic Community (EEC) at the behest of Contadora. The EEC held a series of meetings with the Contadora and Central American Foreign Ministers, to discuss regional and country-specific development assistance programmes. These took place in San Jose, Costa Rica, in September 1984; in Luxembourg in November 1985; and in Guatemala in February 1987. The United States' attempt to convince the EEC to exclude Nicaragua from participating was unsuccessful. At the same time, the governments of Cost Rica, El Salvador, Guatemala and Nicaragua, in October 1985, agreed on a common tariff on imports from outside the region.

Thus, remarkably, while militarization continued and conflict deepened, dialogue on issues of common interest was maintained at various levels. This was largely a consequence of the leadership provided by the Contadora Group, later joined by the Support Group.

In an effort to inject new momentum into negotiations, the Secretaries-General of the UN and OAS, together with the Foreign Ministers of the Contadora and Support groups, organized a joint mission to Central America in January 1987. The UN Secretary-General, Perez de Cuellar, later stated that he found a lack of political will to pursue peace on the part of Central American leaders. While the continuing efforts of Contadora appeared to meet with failure, the critics of Reagan Administration policy were beginning to gain a wider hearing in United States congressional circles, as a consequence of disclosures concerning arms sales to Iran and the illegal diversion of the profits of those sales to the *contras*. It was in the context of renewed international and Latin American efforts to advance the peace process, and increasing doubts about the effectiveness of supporting the *contras* in the United States itself, that President Arias of Costa Rica presented his ten-point peace proposal in February 1987.

The ten points, as modified and formalized during the following weeks, were congruent with earlier Contadora documents, and they were viewed by the Contadora and Support groups as a step towards the signing and implementation of a comprehensive treaty. Included were proposals concerning amnesty and dialogue, cease-fires, elections and democratization, economic agreements and the suspension of military aid to irregular forces. These applied to all the Central American countries equally. In response to the Arias proposal and as a sign of good faith, Nicaragua withdrew its case against Costa Rica in the ICJ for allegedly tolerating *contra* bases on its territory. (A similar complaint against Honduras was suspended for ninety days following the signing of the Guatemala Accord.)

The Roundtable took place as the Central American countries were preparing to discuss the Arias proposals in Esquipulas, Guatemala, on 25 June. Much of the discussion focused on the potential significance of that meeting, which was later re-scheduled to take place on 6-7 August in Guatemala City. Significantly, the Arias proposal accepted the legitimacy of the Sandinista government and called for the cessation of United States support to the *contras*. By contrast, the Reagan plan, presented on August 5, introduced special provisions that applied only to Nicaragua, concerning the suspension of emergency laws, the restoration of civil rights, the holding of elections and negotiations with the *contras*. These provisions were presented as preconditions for the suspension of United States aid to the *contras*.

The Guatemala Accord of 7 August respects the Arias plan as well as earlier Contadora peace proposals. In addition to incorporating many of their provisions mentioned above, the Accord specifies the establishment of national reconciliation commissions as well as verification and control mechanisms to be designed by representatives from the Central American and Contadora nations together with the Secretaries-General of the UN and the OAS. It also calls on the international community to support the peace process, by providing assistance for economic reconstruction and democratization in the region.

Although there are numerous obstacles to the Accord's implementation, the fundamental problem continues to lie with United States foreign policy. Since the signing of the Accord, President Reagan has reaffirmed his administration's support for the *contras*. This continued support would undermine the ability of Honduras to implement a central clause of the Accord, namely its commitment to prevent the *contras* from using its territory as a base. The policy of funding the counter-revolutionaries, however, is now receiving increasingly critical scrutiny in the United States. For example, the Speaker of the House of Representatives, Jim Wright, who supported an initial version of the Reagan plan, has endorsed the Guatemala Accord, stating that it is the "plan that has to prevail." At the same time, the devastating human and material costs of continuing regional conflict provide strong incentives for seeking reconciliation within and among the Central American nations.

2. The Costs of War

Central America is a region ravaged by war. Over the last eight years, some 200,000 people have died and at least 10 percent of the area's population has been internally displaced or forced to flee to other countries. War, together with the impact of the international recession and deteriorating terms of trade, has forced down living standards dramatically. Resources needed for reactivating crippled economies and implementing reform and development programmes, that could address the causes of conflict, have been used instead for arms purchases and maintaining increasingly large military forces.

Militarization has reached unprecedented proportions in all the Central American countries. Between 1981 and 1986, El Salvador's military and security forces grew from approximately 16,800 to 57,600; Guatemala's from 18,000 to 43,600; Honduras' from 14,200 to 24,200; Nicaragua's from 14,700 to 62,000 (129,000 if the reserve militia is included). Even Costa Rica, famous for its traditional neutrality and lack of a standing army, has not escaped this process: the

size of its security forces increased from some 5,000 to 9,500 personnel. Estimates of the numbers of combatants currently in armed opposition forces range from four to eight thousand in the case of the Salvadorean FMLN and six to twelve thousand in the case of the *contras*; an undetermined number of guerrillas continue to engage the armed forces of Guatemala.

Military budgets have increased proportionately, as has military aid. Funds provided through the United States Military Assistance Program (MAP) to the five countries of the region increased from $25 million in 1980 to $187 million in 1986, and an estimated $178 million in 1987. Although these are the most frequently cited figures, they do not include all types of security-related aid. The Economic Support Fund (ESF), administered by the State Department, is "basically a security/military program" according to the Congressional Research Service, and is listed under "security assistance" in the foreign aid budget. The combined total of MAP and ESF grants rose from $145.9 million to $597.4 million during the same period, with the 1987 total estimated at $581.6 million.

Moreover, the above totals disregard much military spending, such as the costs of manoeuvres and the construction of installations. The United States scholars' and policymakers' association, Policy Alternatives for the Caribbean and Central America (PACCA), has estimated that altogether, the Reagan Administration was spending $9.5 billion annually on military/security programmes in Central America and the Caribbean in the mid-1980s.

Most United States security aid was received by El Slavador — a total of $1,535.3 million in ESF and MAP funding from 1981 through 1986. Honduras received $252.4 million through MAP during the same period, but that figure does not include the costs of the military infrastructure built or the manoeuvres held there by the United States. At least nine combat airstrips were constructed or improved, two radar stations installed and more than 40,000 United States soldiers have passed through the country since 1983 in a continuous series of sea, ground and air exercises. From 1982 to 1986, Costa Rica received $28.9 million in MAP funding in contrast to a total of $1 million during the two preceding decades. Guatemala waged a largely successful military campaign against four guerrilla groups and increased the size of its armed forces with only minor MAP funding. At the same time, Nicaragua received a variously estimated $500 million to $1 billion in military aid from the Soviet bloc.

The economic costs of military conflict — destruction of infrastructure, crop losses, capital flight, the price of diverting resources and personnel

from civilian to military functions, the drain of talent through emigration and the loss of productive capacity as a consequence of the displacement of populations — have been estimated in the tens of billions Capital flight alone may have totalled $9 billion over the last ten years. Worse yet, the wars have coincided with the region's worst economic depression since the 1930s. With depressed demand and export prices, more than a third of the regional labour force was unemployed in 1986, according to the Secretariat of Central American Economic Integration (SIECA). The value of intra-regional trade in 1985 was less than half of what it had been in 1980. The foreign debt — $20,757 million — equaled twice the gross domestic products of the region's countries in 1986; in per capita terms, it added up to $778.70 — 72 percent more than the average Central American's income.[3] According to the UN Economic Commission for Latin America and the Caribbean (ECLAC), in 1986 the per capita product of the region descended for the eighth year in a row; this signified a 28 percent contraction with reference to 1978.

This dramatic crisis and the resulting decline in mass living standards hit populations already poverty stricken and societies characterized by extreme inequalities in income and access to basic services. According to ECLAC, around 1980, 41.8 percent of Central Americans (over 8.5 million people) could not satisfy their "biological-nutritional requirements." An additional 21.9 percent (some 4.2 million) could not meet such basic needs as minimally decent housing and safe drinking water. These two groups, the poor and the extremely poor, made up almost two thirds of the region's population — 24.8 percent in Costa Rica, 68.1 percent in El Salvador, 71.1 percent in Guatemala, 68.2 percent in Honduras and 61.5 percent in Nicaragua. Costa Rica, where civilian rule and democratic traditions are well established, had the least skewed income distribution profile — the wealthiest 20 percent of the population received 49 percent of national income and the poorest 50 percent made do with 21 percent. The corresponding figures were 66 percent for the wealthiest fifth and 12 percent for the bottom half in El Salvador; 51.1 and 17.8 percent in Guatemala; 59.3 and 17 percent in Honduras; and 58 and 11 percent in Nicaragua.

The revolutionary movements that emerged in the seventies gained widespread popular support, precisely because they demanded improvements in mass living standards through redistributive reforms and development programmes specifically designed to redress socio-economic disparities, which had deepened during previous years of rapid growth. The most extreme forms of poverty were especially

[3] The foreign debt figures include Panama.

glaring in the rural areas where insurgency movements established roots.

Militarization and economic crisis have held back reforms and development programmes intended to improve mass living standards and thereby address the basic causes of conflict. Production, both for export and for domestic consumption, has declined in Nicaragua as a consequence of the combined effects of war and the financial and trade cut off measures taken by the United States. In these circumstances, the land and other reforms initiated by the Sandinista government could not prosper, and the gains made during the first years of the revolution have been all but reversed. At the same time, the United States supported *contra* war left over 22,000 Nicaraguans, on both sides, dead, more than 12,000 wounded and some 250,000 displaced. In El Salvador and Guatemala, the increased strength of the military restrained the Christian Democratic governments of Jose Napoleon Duarte and Vinicio Cerezo, respectively, from negotiating with armed opposition forces and from implementing urgently needed social and economic reforms. In both countries, rural development and land redistribution have been subordinated to military counter-insurgency objectives.

Movement towards democracy, autonomy and greater respect for human rights has also been severly circumscribed, when not reversed, by militarization, war and economic crisis.

The Catholic Institute for International Relations (London, England) reported that between 50,000 and 75,000 people died or disappeared during the Guatemalan army's 1981-84 counter-insurgency campaign; some 440 Indian villages were destroyed; as many as 150,000 people may have fled to Mexico and other countries; and approximately 1 million people out of a total population of 8.3 million were displaced from their homes.

In El Salvador, according to the reports of the Americas Watch Committee (Washington and New York), at least 38,000 of the approximately 50,000 war casualties recorded between early 1980 and mid-1985 were non-combatant civilians killed, and often tortured, by death squads and government security forces, or massacred in army sweeps of villages and indiscriminate bombings of civilians in guerrila-controlled or contested areas. From a total population of five million, according to estimates provided by *World Refugee Survey*, a half million Salvadoreans are internally displaced, more than 245,000 have fled to neighbouring countries and another 500,000 to the United States. The recipient countries — Costa Rica and Honduras in particular — lack the resources to respond to the refugees' needs.

In Nicaragua, a state of emergency, imposed in response to the *contra* war, restricted civil liberties, including press freedoms; arbitrary detentions have been recorded and serious human rights abuses have been confirmed. However, there were no equivalents to the death squads that continued to operate in El Salvador and Guatemala (albeit less actively since formal civilian rule was established). Moreover, the Sandinista government has abolished the death penalty, and military officers found guilty of human rights abuses have been tried and given exemplary sentences.

The dependency of the region on external financing has increased. El Salvador, for example, was receiving approximately $2 million per day in United States aid by 1986. Though most of this total was dedicated to the pursuit of war, it also financed the greater portion of the government's administrative costs and kept the private sector afloat. Costa Rica and Honduras also depend heavily on United States assistance programmes, and Honduras is additionally constrained by the presence of the largest *contra* bases on its territory. Meanwhile, Nicaragua became increasingly dependent on the Soviet bloc as the Reagan Administration's trade and financial embargoes took effect.

Contadora leaders have identified both the economic and the military dependency of the Central American countries as obstacles to the peace process. For this reason, the draft treaties do not deal with military issues alone; they also address the need for regional co-operation and the resolution of social and economic problems as part of a comprehensive approach to the establishment of long-term peace and security in Central America. In agreement with the Contadora Group's analysis, Roundtable participants called for third-party and multilateral initiatives to increase the manoeuvring room of Central American nations to advance negotiations, implement agreements and progress towards political democracy and social equity.

3. Canadian Policy

Prior to the meeting of the Central American heads of state in Guatemala, the Secretary of State for External Affairs (SSEA), Joe Clark, publicly expressed support for the regional peace efforts. Shortly after the August 7 Accord was signed, the SSEA praised the agreement and announced that Canada was prepared to assist in its implementation by providing technical advice on verification and control provisions. A few days later, two Canadian officials were sent to the region to communicate the offer directly to each government and to discuss what other actions Canada might take. Subsequently Canadian officials held consultations with several European governments including the Soviet Union about the peace process in general and the Guatemala Accord.

In late September, at the opening sessions of the United Nations General Assembly, Mr. Clark expanded on Canada's willingness to contribute to the peace process, stating: "The disputes must be resolved by those actually involved in the conflict, but Canada is prepared to contribute to that process in any direct and practical way open to us." He also reiterated Canada's interpretaton of the causes of and solutions to the conflict in the region:

> We have expressed our view that the root problem in Central America is poverty, not ideology; that the real need is development assistance, not military activity; and that intervention by outside powers will only aggravate the tensions.

The diplomatic initiatives surrounding the signing of the Accord and the SSEA's offer of "any direct and practical" support signaled an enhancement of Canada's estabished policy towards Central America. Like Contadora, Canada has consistently stressed the indigenous social, economic and political sources of the region's crisis. For example, at the United Nations General Assembly in 1985, Canada stated: "We view the upheaval in Central America as primarily a function of chronic social and economic injustice, coupled with . . . frustration over the failure to institute . . . reforms to meet even the most basic popular expectations."

The Canadian government has also repeatedly stressed its support for dialogue and reconciliation, and its opposition to militarization. The Government recognizes the legitimate security interests of the United States; nevertheless, it has opposed third-party intervention and outside military aid to irregular forces. In an address to the Inter-American Press Association meeting in September 1986, Prime Minister Mulroney stated that "we do not approve of any country supplying arms to any faction in the area . . . whoever the third party may be, and regardless of its legitimate interests in the area." He also reiterated Canada's support for Contadora as "the best instrument of reconciliation." Accordingly, Canada voted in favour of the UN General Assembly resolution, calling on the United States to comply with the June 1986 ruling of the ICJ regarding the cessation of aid to the *contras*. Further, Canada has considered Nicaragua's military build-up as defensive, and not necessarily the expression of expansionist ambitions.

In keeping with the view that the Contadora process is the most promising framework for peace in Central America, Ottawa has consistently expressed support for this effort. Canadian officials have also provided detailed technical advice on the security and control provisions of Contadora draft treaties. In addition, Canada has directly

supported partial peace efforts by witnessing the negotiations between the Nicaraguan government and MISURASATA[4] in 1985, and in 1986 by offering technical assistance in the design of the proposed Costa Rican-Nicaraguan Joint Commission. The Canadian government also declared its support for the peace plan put forward by President Arias of Costa Rica.

Official Canadian promotion of peace is not restricted to diplomatic efforts. Consistent with Mr. Clark's statement that the "problem in Central America is poverty, not ideology," development assistance to both Central and South America was increased in the eighties. Latin America's share of total Canadian government-to-government assistance went up from 8.97 to 14.26 percent between 1980-81 and 1985-86. However, aid to Central America alone did not surpass 2 percent of total development assistance. Concretely, between 1981 and 1986, the Canadian International Development Agency (CIDA) provided CAN$87.5 million for government-to-government projects in the region, and a total of CAN$144.9 million for the whole range of bilateral development projects (including aid channeled through NGOs). Canada also plays an active role in international financial institutions with programmes in Central America. In the Inter-American Development Bank, Canadian directors have argued for the maintenance of technical criteria as the primary consideration in project assessment procedures.

The weight which should be given to human rights considerations in development assistance programming has emerged as a major issue in Canadian foreign policy debates. CIDA maintains that aid allocations should be sensitive to, but not contingent on, human rights considerations. Accordingly, although Canada continued to express concern over serious human rights violations in El Salvador, government-to-government aid (suspended in 1980 due to gross human rights violations and concern over the safety of Canadian personnel) was restored in 1985. Similarly, Canadian officials have expressed concern about violations of civil and political rights in Nicaragua; nevertheless, that country has been the second-largest recipient of CIDA assistance to Central America since 1981. Honduras is designated a "core country" in CIDA programming and as such is the largest recipient of Canadian aid in the region. Costa Rica has also received substantial development assistance.

In the area of refugee policy, the Canadian government developed important programmes to respond to the Central American crisis.

[4] MISURASATA represented the Miskito people who opposed the Nicaraguan Government at that point.

From 1982 to 1986, approximately 3,000 refugees per annum (mostly from El Salvador and Guatemala) were admitted under the aegis of special programmes. Generous support has also been provided to the Central American programmes of the United Nations High Commission for Refugees (UNHCR) and the International Committee of the Red Cross (ICRC). Recently, changes in United States immigration laws, threatening thousands of undocumented refugees with deportation, triggered a massive influx of refugee claimants to Canada from late 1986 to early 1987. The Canadian government responded with modifications to refugee policy and proposed changes to refugee law. These measures have provoked much controversy. Church groups and other NGOs are concerned that the changes may reduce access, in particular for Central Americans arriving from the United States.

Canada maintains diplomatic relations with all Central American states but has only one ambassador in the region — in San Jose, Costa Rica. In keeping with fiscal restraint objectives, the Government recently reduced the Guatemala mission, which now has only a chargé d'affaires, and has resisted suggestions by Canadian NGOs that it open a mission in Nicaragua to monitor events in that country.

Commercial relations with the Central American countries remain weak. Indeed, the share of Canadian exports going to Latin America as a whole has declined in recent years from 5.09 percent in 1980 to only 2.77 percent in 1986. This drop has been attributed to the region's declining capacity to import, due to economic crisis and growing foreign debts. (In fact, it is the debt crisis that links the Canadian and Latin American economies most directly: the total Latin American debt owed to the principal Canadian banks grew to over CAN$27 billion in 1986.)

In contrast to the United States, Canada has maintained both commercial and diplomatic relations with Cuba, its fourth most important trading partner in Latin America, after Brazil, Mexico and Venezuela. Nor did Ottawa object to the relocation of Nicaragua's foreign trade office from Miami to Toronto, when the United States imposed its embargo in 1985.

Although Canada's export control policy discourages the sale of military goods and technology to countries involved in hostilities or under imminent threat of hostilities, the Iran-*contra* hearings revealed that a Canadian dealer had supplied military goods to the *contras*. This revelation has prompted calls for the review and more stringent application of that policy.

While Canada is not a full member of the OAS and is not a signatory to the Inter-American Treaty of Reciprocal Assistance, it holds permanent observer status in the OAS and participates as an observer at meetings of the Conference of American Armies.

Canadian policy towards Central America has evolved against the backdrop of growing public involvement in foreign policy debates generally, and in particular in debates on an appropriate response to the crisis in Central America. The churches have played a leading role in informing and supporting public debate in this area, as have organized labour and the numerous non-governmental organizations with projects in Central America. For example, Tools for Peace, a grassroots campaign, has raised as much as CAN$2 million annually for shipments of medical and technical goods to Nicaragua.

Indeed, Central America has become one of the most prominent foreign policy issues for the Canadian public. A Gallup poll in the summer of 1984 showed that Canadians opposed United States policy in the region by a two-to-one margin. The Decima poll, commissioned by the Government one year later, indicated that the crisis in Central America was an issue of highest priority to the Canadian public. A government-commissioned poll taken in April 1987 revealed that over two thirds of Canadians believe that Canada should pursue a foreign policy more independent from the United States.

Already in 1981-82, members of the Parliamentary Sub-Committee on Canada's Relations with Latin America and the Caribbean were surprised at the interest manifested in its proceedings by communities across the country. The Sub-Committee's final report went on to recommend that Central America be recognized as a foreign policy priority. Four years later, in its 1986 report on Canada's international relations, the Joint Senate-Commons Committee noted that it had received more submissions on Central America than on any other issue. All this suggests that public support for an active and independent Canadian role in Central America will be sustained.

4. Interim and Confidence-Building Measures

Central American and extra-regional interest in interim measures to de-escalate conflict increased during 1986-87, when the Contadora process appeared to have reached an impasse. Some interim measures had already been attempted. Both the Government of El Salvador and the armed opposition had presented proposals for dialogue and for the humanization of the stalemated war in that country. Although it was not implemented, an agreement to establish a border-monitoring mechanism had been reached by Costa Rica and Nicaragua in 1986.

Information exchanges between the Honduran and Nicaraguan armed forces, to avoid accidental conflict escalation, had also taken place, and restraint on the acquisition of offensive weapons had been exercised.

These types of measures have been referred to as confidence-building measures (CBMs), since at least one of their objectives has been to increase trust between hostile actors. This broad use of the term differs from its use in the Conference on Security and Co-operation in Europe (CSCE), where it originated. In the European security process, CMBs are narrowly defined; they refer to "specific military applciations." When applied to Third World conflict situations, the CBM concept has been broadened to include "almost anything that increases contact between potential adversaries. Thus the concept has been used to cover all kinds of diplomatic, social, cultural and even athletic contacts."[5]

In the European context, CBMs refer specifically to steps that decrease the likelihood of armed confrontation due to a misperception of the opponent's actions and/or motives. In this narrow sense, they include information and communication measures such as the publication of defence data, hot lines and prior notification of exercises and armed forces movements; constraint measures such as joint or third-party inspections of sensitive areas, the prohibition of harassment and limitations on troops and weapons system deployment; and declaratory measures such as no-first-use assurances.

Although all these are relevant to the search for peace in Central America, the discussions on conflict resolution in the region have dealt with a much wider range of measures that could be taken to de-escalate conflicts prior to the signing of a comprehensive peace agreement. The Document of Objectives of September 1983, which called on Central American governments to "promote detente" and to abstain from "any action that might endanger confidence" already implied a broader understanding of the term in the Contadora process. The September 1984 draft act discussed measures to promote " regional detente and confidence building" in the chapter on "Political Affairs." That section of the draft committed signatories to "promote mutual confidence by every means within their reach and to avoid any action that is liable to prove harmful to peace and security" in the region. The promotion of educational, scientific and cultural contacts were mentioned as means to build confidence, while hostile declarations and propaganda were mentioned as acts that could decrease it. Confidence-building measures more narrowly defined are dealt with in the chapter on "Security

[5] Jack Child, "A Confidence-building Approach to Resolving Central American Conflicts," in Jack Child (ed.), *Conflict in Central America: Approaches to Peace and Security*, London: C. Hurst and Company, 1986, p. 157.

Affairs"; these include provisions on military manoeuvres, arms control, foreign military bases and advisers, support for irregular forces and communications on security matters. (See Appendix II)

Thus the discourse of the Contadora process has used the term *confidence-building measures* to indicate a broad range of initiatives that could build trust between states. Such measures include, in addition to those already mentioned, the resumption of dialogue and/or negotiations between opposing forces, either directly or with mediation; acts of goodwill like the suspension of legal proceedings by one state against another; the strengthening of functional co-operation between states (in the economic, infrastructural and social spheres); the establishment of fora for regional political co-operation, ceasefires, disarmament, peacekeeping and peace observing.

The Roundtable examined all these options and did not restrict itself to a discussion of CMBs as they are understood in the European context. Since extra-regional powers are involved in conflict in Central America, CBMs involving them as well as the international community in general were also considered.

II.

ROUNDTABLE PROCEEDINGS

Latin America does not require war games in Central America. It requires initiatives furthering co-development in an interdependent world.

Carlos Fuentes[1]

1. Session I. Present and Future Prospects for Peace in Central America

The Situation Addressed

Despite the four years of effort, the Contadora peace process has not yet led to the ratification of a peace agreement in Central America. Nevertheless, it has achieved certain limited successes and has recently been actively encouraged by the Secretaries-General of both the UN and the OAS. At the same time, other initiatives, such as the Costa Rican proposal, have also emerged within the Contadora framework.

DISCUSSION

Common interests among Central and South American Nations

The interests of the Central American countries converge in many respects. Participants from the region as well as from other countries called attention to their shared concerns for advancing the peace process. Progress towards achieving peace would create the conditions needed to deal with the enormous refugee outflows; to consolidate democracy and respect for human rights; and to roll back the tide of militarization which drains resources needed for resolving the basic problems of underdevelopment and social inequity. A Central American noted that "our real war is against poverty and social injustice." As well, all the region's countries need to increase their autonomy within the international system and are agreed on the cardinal principles of self-determination and non-intervention.

These interests are shared by Latin America as a whole. Therefore, the promotion of peace in Central America should not be the exclusive preoccupation of the Central American countries. "Since conflict in the region affects all of us," a Latin American participant stated, "it is not only our right but our responsibility" to work for peace in the region.

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[1] Carlos Fuentes, *Latin America at War with the Past*, p. 18.

The Contadora Process and the International Support it has Gained

The Contadora process reflects the Latin American preoccupations. The June 1986 draft treaty may "not be perfect or foolproof" and there are many problems involved in the process. Nevertheless, all Central American interests have been considered within the context of international law in the twenty-one points of the original Contadora proposal. "This is a model international agreement because it not only seeks a cease-fire but also to address the basic problems of Central America." Above all, Contadora is an indigenous initiative that has received broad acceptance from the international community. It has been credited with filling a diplomatic vacuum, preventing a "generalized war" in the region, and "raising the economic and political stakes for direct military intervention by the United States." It has also demonstrated remarkable resilience and developed its own dynamic and credibility. Although Contadora's success has been limited, it "has promoted the habit of dialogue" and that, in itself, is a positive result.

Several participants identified various initiatives and policies supportive of the Contadora process.

Although the Guatemalan government is not ideologically neutral, since it is "committed to Western values," it has pursued a policy of "active neutrality" vis-a-vis the military conflicts in the region. Accordingly, President Vinicio Cerezo has taken a number of political and diplomatic initiatives to promote dialogue. Upon his election, he visited the other Central American countries and remains "on good terms" with all. Respect for international law, peaceful co-existence and sovereignty, as well as an appreciation for the efforts of the Contadora and Support groups, form part of Guatemala's foreign policy. Specifically, Guatemala has complied with the September 1983 Contadora proposals; facilitated dialogue on a negotiated solution at the Esquipulas Summit; promoted the organization of a Central American Parliament; and hosted the third meeting of the Central American countries with the European Economic Community (EEC).

In 1982, Honduras presented a peace plan that included many points later incorporated in the September 1983 Contadora document. Nicaragua accepted the first draft treaty proposed by Contadora in September 1984 (as well as the third draft presented in June 1986). Nicaragua and Costa Rica have negotiated a bilateral agreement on border conflicts. In February of 1987, President Oscar Arias of Costa Rica proposed a peace plan complementary to the Contadora framework; it can be considered either as a step towards a Contadora treaty or as a "simultaneous" initiative.

The Secretaries-General of both the Organization of American States and the United Nations visited the region in January 1987 in an effort to promote the peace process initiated by Contadora in 1983. The conferences held between the Central American countries and the EEC have shared this same objective. In addition to giving diplomatic support, on four occasions Canada has provided detailed technical advice to Contadora on control and verification mechanisms, and has indicated its willingness to do so in the future. In recognition of this a Central American congratulated Canada for its "efforts to promote peace, democracy, freedom and economic development" in the region.

The Obstacles to Peace Arising from the Conflict Between the United States and Nicaragua

Despite all these regional initiatives and the broad international support enjoyed by Contadora, a peace settlement remains as elusive today as it was when the Contadora process began. In fact, the situation has deteriorated with increasing militarization and the largest miitary manoeuvres to date are now taking place. Although it was argued that the Central American countries must develop greater political will to work out a peace settlement — they "have to make Contadora viable and not the other way around" — most participants identified United States foreign policy as the major obstacle to a negotiated solution of the region's conflicts. At the centre of the crisis lies the relationshp between the United States and Nicaragua. A war is being waged by the United States in violation of international law and of the United Nations Charter, which embodies the rights to self-determination, territorial integrity, non-intervention and the peaceful settlement of disputes. "Military manoeuvres, funding of the *contras* and arm twisting by the United States do not help the peace process." An effort should be made to initiate negotiations with the United States — invite the United States to join in the spirit of Contadora. "The viability of Contadora depends on United States foreign policy."

A Latin American speaker suggested that to resolve the current deadlock it is necessary that "we think of ways and means to reinitiate the Manzanillo talks" between Nicaragua and the United States. "The will to do so exists on the part of one country. How can we convince the other party?"

A participant from the United States protested that the discussion lacked balance, to the extent that it identified "American foreign policy as the source of the problem." The United States, he argued, is interested in a diplomatic settlement and in procuring peace. This was

reflected in Philip Habib's frequent trips to the area — six since September 1986.[2] He continued that there is a "missing link" in the Contadora process, namely its failure to recognize the civil war in Nicaragua. The United States supports one side because the original goals of the 1979 Revolution are not being respected by the Sandinistas. The principle of non-alignment, for instance, is undermined by the $600 million in Soviet military aid received by Nicaragua. "Why talk about United States funding of the *contras*? We [initially] gave them $27 million for Band-Aids and blankets. That was not enough to counter Soviet military aid." In addition, the United States is concerned about the Sandinistas' lack of respect for the commitments it made to the OAS concerning representative democracy and respect for human rights.

With respect to Contadora, the United States agrees with "a prominent Nicaraguan" who described it as "a dead man no one bothered to bury." During the recent congressional debate on cutting off aid to the *contras*, "both sides . . . spoke of the Arias Plan, which endorses dialogue with the domestic opposition, but not of the Contadora process. The Contadora process has no teeth in it. How do you verify it?" Ultimately, aid to the *contras* was not cut off. The problem arises from the fact that the Sandinistas do not recognize the United Nicaraguan Opposition (UNO). They "must talk to the opposition. President Duarte of El Salvador has made concessions to the FMLN. He has bent over backwards to talk to the opposition. Nicaragua should do the same with the UNO . . . We are not warmongers imposing war on poor Sandinistas." The Nicaraguans, the United States insists, must also reduce the size of their military to restore regional balance and they must sever their military ties with Cuba and the Soviet Union. The Soviet presence is destabilizing for Honduras and especially for Costa Rica, which does not have an army. Finally, the Sandinistas are "working with a double standard" in objecting to United States support for the *contras*; their 1979 Revolution also received support from other countries, Costa Rica among them.

Various participants challenged this position. A Canadian asserted that "Contadora is not a dead man — it is still breathing and has a role to play." It is also increasingly apparent that the *contra* policy does not offer a solution. "There is a widening recognition — reluctant or otherwise — that Nicaragua must be accepted."

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[2] Philip Habib, President Reagan's special envoy for Central America, resigned on 14 August 1987, reportedly because the Administration rejected his call of support for the 7 August peace accord signed in Guatemala.

Another participant from the United States joined in criticizing the Reagan Administration's policy. The crux of the matter, he argued, is quite simple: there can be no Contadora agreement, nor can the Costa Rican plan succeed, unless the Reagan Administration changes its present position. As long as it insists that it will *not* halt aid to the *contras* upon signature of an agreement and that it will continue its proxy war against Nicaragua even after agreements might be signed, no such agreements *can* be signed.

"How can Nicaragua commit itself to limiting its own military capabilities without some commitment from the United States to phase out hostilities? Obviously, it cannot and will not." It is this more than anything else that blocks a Contadora agreement and which will block agreement on the Arias Plan. The latter calls on all sides to halt any support they may be giving guerrillas in other countries. How could Nicaragua sign if the United States were still insisting that its aid to the *contras* would be unaffected? That would be "flagrantly asymmetrical and thus unacceptable to any self-respecting country. We certainly would not accept such terms if they were put forward by the other side."

Why does the United States take such a position? Because its objective in Nicaragua is to get rid of the Sandinista government. It has no interest in a negotiated solution which would leave them in power. If there is ever to be a negotiated solution and a regional settlement satisfactory to all sides, this position on the part of the United States must change.

A Latin American participant intervened, stating that the conflict is not just the sum of conflicts between five Central American countries. The Reagan Administration is also a participant; "the war has been stage-managed by the United States." In December 1981, $20 million was provided by the CIA to create — fund, organize and equip — a *contra* army. In this context, "can we speak of a civil war in Nicaragua? No. Do the insurgents control territory? No. Do they have social representation? No. Have they gained international recognition? No. Are they dependent on an outside country? Yes." In fact, retired General Secord pointed this out two years ago when he stated that cutting off aid to the *contras* meant cutting "off their vital lifeline," that it would lead to "the end of the *contras*." This is not to say that without the *contras* there would be no conflict in Nicaragua. Revolutions produce conflict. But Nicaragua would be able "to deal with those conflicts within a legal framework." As for Mr. Habib's tours of the region, he has not visited Nicaragua. The speaker concluded by suggesting that if the United States is "so interested" in speaking for the

contras, they should be incorporated into an American delegation. In any case, the basic issue is respect for international law.

The Roundtable should also look at "what will happen *after* the *contras*. Every indication from Congress is that they will be left without money in September... This is a hopeful sign" and therefore "we should concentrate not on the when, where and how of the *contras*" but pay attention to the ways in which the friends of the United States can help it to get back to a policy based on diplomacy, on non-violent action, in Nicaragua in particular. Another Latin American added that "the end of aid to the *contras* must signify a change of policy." In the various declarations of the Contadora and Support groups, there has always been an insistence on ceasing support to irregular groups.

Democracy and Peace

One of the obstacles encountered during the Contadora-sponsored process of negotiations has been the linkage made between the issue of the *contras* and the issue of democracy in Nicaragua. Several speakers addressed this point as well as broader questions involving the nature of democracy, and the relationship between peace and democratization.

It is curious, a Latin American noted, that the Central American crisis started in 1979 when a new government took power in Nicaragua. "There was no crisis when those bloody dictators ruled prior to the Sandinista Revolution." Other speakers observed that many crimes have been committed in the name of democracy. While lack of democracy may be a very important issue, it "is not the cause of conflict." In any case, democracy grows out of the historical traditions of a country and may take different forms which other countries must respect. If democracy signifies the acceptance of many points of view within a country, the same applies to relations among nations. "The key point is that no country should interfere in the internal affairs of other nations; [specifically,] the United States should not intervene either directly or indirectly." Problems of democratization provide "no justification for violating international law." The recourse to political or military pressure to impose one's point of view cannot be accepted as a solution from the perspective of international law. Furthermore external pressures are counterproductive as they impede democratization."

Other participants linked the issue of political democracy to socio-economic conditions and dependency. While one Latin American expressed his admiration for the type of democracy he had witnessed in the Canadian House of Commons, another asked whether democracies of the Canadian or Swedish kind exist anywhere in Central America. Is

it realistic to expect them immediately? Is only one country in the region at fault? Are the economic and social aspects of democracy being forgotton in looking at formal political aspects? A South American drew attention to the need to create objective conditions for the development of democracy. All over Latin America, this involves both internal and external factors. Internally, consensus has to be created and structural problems addressed; externally, dependency has to be overcome. Guatemala was referred to as a country whose democratic social evolution was brought to a halt by external intervention. "In 1954, the internal conditions for transformation were present but not the external." No country, another speaker declared, has a right to intervene in the affairs of other countries even in the name of democracy. "Democracy is not exportable."

In any case, the relationships among peace, democratization, dependency and social transformation are complex. The histories and policies of the Central American countries reveal many differences.

Costa Rica enjoys a democratic tradition and is currently taking a leading role in advancing dialogue through the Arias Plan. Honduras is second only to Haiti on the negative indices of illiteracy and economic underdevelopment in general. Yet it is the country which initiated a process of democratization in 1979 when other Central American countries were descending into violence. Between 1981 and 1985, two governments were elected and a new constitution was promulgated. In spite of 50 percent illiteracy, 80 percent of the population voted — an expression of "their dream" for the institutionalization of democracy. Despite a difficult situation, Honduras has worked for peace and has made great efforts to avoid conflict with Nicaragua even though it is concerned about its military build-up. Guatemala has also embarked on a process of democratization while pursuing its policy of "active neutrality." Polls demonstrate support for both the foreign and domestic policies of the Cerezo Administration.

All the Central American countries require peace in order to consolidate or maintain democracy. Militarization in the region aborts peace initiatives, as does the presence of "foreign soldiers." While one should not romanticize historic struggles "fought with machetes," noted one participant, it is worth repeating that "none of the arms used in Central America today are produced there."

Proposals for Strengthening Peace Initiatives

How can peace and demilitarization be achieved? Political realism is needed to address this question. The Central American countries cannot ignore the United States presence; neither can Latin America or

Canada. "It is politically unrealistic to think that the United States does not have strategic interests in the area. It is also unrealistic to believe that Nicaragua does not have a right to choose its own form of government" or defend its territorial integrity in accord with the United Nations Charter. How can these interests be reconciled and the deadlock be broken? This deadlock does not involve only Nicaragua. On the one hand, there are the historical interests of Central and South America. On the other hand, there are United States strategic interests, which are quite different. Further, "cultural differences affect the interpretation of those interests as well as approaches to conflict resolution." Latin Americans "need to secure economic independence and self-determination."

Several participants from different regions and countries suggested that development assistance to Central America must be increased. To be effective, such assistance must involve a major commitment from the international community, including Canada, for technical aid, the implementation of national and regional development projects and the opening of markets. Foreign aid, together with national policies designed to foster development, would address the structural social and economic causes of the conflicts.

A Canadian participant responded that although Canada has a substantial aid programme in Central America, "it does not begin to meet the needs of the region, nor do the cumulative aid programmes of all donors, because the problems are so great." While agreeing that "we must not lose sight of the economic needs," priority must be placed on peace: "those needs cannot be properly addressed unless we have a framework of peace." Other participants agreed: "there is an urgent need to solve the political problems, to obtain peace" so that economic causes of conflicts can be addressed; there is capital flight and lack of investment, and neither can be effectively dealt with unless a framework for peace can be negotiated; economic aid cannot be fully utilized in the context of militarization. Nevertheless, aid *is* urgently needed, noted a Central American, who also expressed his country's appreciation for Canada's development assistance.

Various members of Canadian non-governmental organizations proposed that, in addition to increaing aid to the region and providing technical assistance to Contadora, Canada could advance the peace process by "prodding the United States" to change its policy. The establishment of an embassy in Managua should be considered. Canada could also promote the resumption of the Manzanillo talks between the United States and Nicaragua; in fact, Ottawa could even be offered as the site for their continuation. Public support for a more active Canadian diplomatic role exists; the recent major review of

foreign policy produced more briefs from the public on Central America than on any other part of the world.

The possibility of strengthening peace initiatives through the institutionalization of Contadora was raised by a Latin American. Could the Contadora and Lima groups establish the facilities required for more consistent follow-up? "An ombudsman, for example, could provide more continuity and carry on liaison on a permanent basis." This suggestion was picked up by a Canadian, who referred to the proposals concerning the "formalization of a structure" made at the Roundtable of September 1985.

"Good ideas often confront a difficult reality and a diversity of interests," observed another Canadian. He noted that there has been a pessimistic mood in recent months about reaching a settlement on troop levels, democratization, verification and so on. A "discouraging feeling emerged from the remarkable if unpublicized visit of the eight [Foreign Ministers of the Contadora and Support groups] plus the two [Secretaries-General of the UN and the OAS]. It breathed life into the process but not in the settlement."

A Latin American speaker agreed that the Central American countries had taken "extremely hard negotiating positions" during that visit. Nevertheless, there was general consensus that Costa Rican President Oscar Arias's peace initiative, and plans for its discussion by the Central American heads of state at Esquipulas in June, had introduced an important change. The Arias proposal has developed in the context of Contadora, "within the spirit of Contadora, and it was 'blessed' in the Buenos Aires meeting" of the Contadora and Support groups.

The Arias Plan and the Contadora Process

A Latin American participant argued that "for the first time, in a proposal from another Central American country, the nature of the Nicaraguan regime is not under discussion." In accord with both the Contadora and Arias proposals, the terms of the discussion between the United States and Nicaragua should focus on security matters — that is, the presence of the Soviet Union and the Eastern bloc in the region and the issue of foreign intervention. These issues could be resolved by discussions, and verifiable guarantees could be provided. Both multilateral and bilateral — most importantly between the United States and Nicaragua — agreements are needed. As for the problem of national reconciliation and democracy, the main difference between Latin America and the United States is that Latin America cannot support any proposal which involves verification of the internal process in Nicaragua. Contadora has deliberately proposed different means of

verification on security matters and on political issues. Human rights and democracy are very important but Contadora cannot support open means of intervention in the internal politics of Central American countries. The main point, he concluded, "is that the United States consider Nicaragua as a regime that deserves recognition," a regime with which it is possible to negotiate.

There was general agreement that the opportunities opened by the Arias proposal and the events of the following weeks would be critical. However, one speaker cautioned against expecting too much. After four and a half years, do we have reason to believe that the next meeting in Esquipulas will be successful? "It is too soon to expect a breakthrough. Too many bridges have to be built in too short a time. Too many obstacles still exist." Another participant argued that "Esquipulas will be a success as long as it is not a total failure." Much will be achieved if the heads of state meet and demonstrate a willingness to co-operate and compromise. But if they fail to do so, they might face a situation of "uncontrollable political and military problems." It was also suggested that the United States should be invited to Esquipulas to explore security issues, the Contadora agreement and the genuine interests of the Central American countries.

A new context with a "potential impact" on the negotiations has also been created by the Superpowers' recent efforts to accommodate each others' interests; for two conditions are required for the signing and implementation of a Contadora treaty: 1) political will on the part of the Central American countries to accept the principles of the draft treaty and 2) the commitment of outside parties to accept the conditions of the treaty and to refrain from military activities. A Canadian participant agreed: "It is hard to image a comprehensive political settlement which would be viable without the support of the United States." A Latin American Roundtable member added that Contadora also needs support from other countries. However, it was also argued that although countries like Canada can and should respond with support and advice, "to remove Contadora's regional basis would hinder its success and threaten its dynamic."

The need to support both the Contadora peace process and regionally negotiated solutions was reiterated on numerous occasions during the first session. "One hopes that a growing collective disposition to work out the terms of an acceptable framework for reconciliations — which is the main purpose of Contadora — can be reached." "Contadora must continue because it represents hope. We must also regain autonomy . . . The Central and South American countries need [to assert their] independence." There is no need for an East-West framework for understanding the Central American crisis.

2. Session II. Interim and Confidence-Building Measures: The Instruments Available

The Situation Addressed

Interim and confidence-building measures (CBMs) (observation and notification of military activities, personnel exchanges, bilateral commissions and so on), which developed primarily in the European context, have been proposed as relevant for the de-escalation of conflict in Central America.

DISCUSSION

Comparisons with Other Conflicts

Central America, like other areas of the world, can be characterized as a region of "protracted conflict." In some such cases successful "conflict management" has taken place, but "there are few patterns that can be followed." Nevertheless, comparative analysis, two experts on conflict resolution noted, might highlight critical factors. For example, approaches like Contadora were tried for many years in the Israeli-Egyptian conflict, and they failed. What made the difference was Sadat's vision and the willingness on the part of the United States to help. In Indochina, the solution came with "the loss of will on the part of one party" to the conflict. These and other cases suggest that successful conflict resolution involves "a willingness of the hegemonic power to engage in a creative leap of faith . . . to take risks" and a similar willingness by other parties to move in directions they have not been prepared to consider previously. It would also be beneficial if a party or parties can act as guarantors. A major question is: "where can one find the creative leader willing to reach out and activate the process?"

The uniqueness of the Central American situation is that the "differences between local actors perhaps are not as large as some people think, certainly not as large as in the Middle East." If only local factors, such as border conflicts, are considered objectively, there are not major differences. However, these differences are enlarged by external actors. This is an "artificial element" which dos not exist in the Middle East or Southern Africa. "We must try to prevent this external factor from creating intractable regional differences, which would lead to a more serious confrontation." It was agreed that the "will to talk" is needed, but "the capacity to will" must also exist. The question is: "Are all the actors capable of having their own will freely expressed?" Other specialists on peacekeeping issues agreed that "political will" and

agreements are essential. Without them, CBMs can even "detract, and give false hope if they are used cynically."

Contadora: Security Measures and Verification

Defining CBMs as "measures which reassure parties that adversaries are adhering to agreements" and not preparing aggressive actions, the security proposals of the June 1986 Contadora draft treaty represent a "remarkable package of CBMs." In addition, however, CBMs can be more broadly defined to cover other types of measures — economic and humanitarian — contained in the Contadora draft.

Concerning security issues, the draft treaty includes commitments to refrain from direct or indirect threat or aggression; limitations on manoeuvres at border areas, on the size of armed forces and the presence of foreign troops and advisers; and measures directed at preventing arms trafficking and the support of irregular forces and terrorism. The detailed provisions concerning all these matters were summarized by a Canadian government official, (see Appendix for the text of the Contadora draft treaty security proposals.)

With reference to verification, relatively small inspection teams could be based in each country. Technology can assist in reducing the number of people needed on the ground, and this is important in cases of sensitivity about the size of observer units. There is considerable sensitivity in Latin America concerning the concept of peacekeeping — particularly if it involves a military presence. Latin America has not forgotten what "peacekeeping" meant in the Dominican Republic in 1965. "That sensitivity must be respected" — the numbers of any force "must be kept down" and appropriate terminology should be used.

The role of the verification agency proposed by Contadora would be limited to receiving complaints of violations, investigating them and publicizing — "one of the most important sanctions available" — any that take place. It was argued that demilitarized zones would be too difficult to monitor in Central America and therefore would be counter-productive. Precisely because of this difficulty, "parties might lack confidence and be tempted to occupy the zone themselves" thereby provoking more conflict rather than building greater confidence.

A participant from the United States warned that "it is possible to kill Contadora outright or make it suffer a long slow death by demanding verification requirements almost impossible to achieve." Conditions must be realistic. The objective is not to catch every violation, but those that are flagrant and threaten the peace. However, several participants

emphasized that in order to ensure credibility and viability, the verification agency must be perceived as impartial, have a clear mandate, possess effective means to ensure compliance and report to an established institution rather than an "ad hoc grouping."

It was also proposed that any specially organized verification agency "would have to be temporary, to be replaced by a regional organization as soon as the confidence of all parties is established." This, once again, raises the question of how Contadora might be institutionalized. "If it is just another ad hoc organization, I'd be concerned," a participant from the United States observed. Finally, a conflict resolution specialist stated that the inclusion of the words and concepts of CBMs into the Spanish language and into diplomatic discourse in the hemisphere is a significant development in itself. The scope and applicability of CBMs is potentially far greater in Central America — where they can be considered much more broadly — than in Europe.

Comprehensive and Incrementalist Approaches

Do CBMs require a comprehensive agreement — the overarching approach that attempts to solve all problems in one document, or could they be implemented on a bilateral or multilateral basis — the incrementalist approach, which tries to solve certain specific problems? The latter, it was noted, could diminish the will to reach a comprehensive solution, thereby allowing problems to remain. For example, a Canadian participant argued that insurgent groups are not likely to respect partial agreements and could even attack verification team members. "An agreement is more likely to succeed...if it includes a framework for national conciliation."

While a comprehensive agreement would be ideal, an incrementalist approach could assist in paving the way to it. The Costa Rica-Nicaragua border agreement is a case in point. A Latin American argued that the major risk of regional war comes both from possible border incidents and outside intervention. To date, "border incidents have been the main problem because of the existence of irregular forces." To deal with such problems between Costa Rica and Nicaragua, in 1985 the OAS Council recommended the creation of a border commission to investigate incidents; in 1986, a commission was created by the two countries with assistance from the Contadora and Support groups. The fact that an agreement was reached is important even though "the commission failed because of political factors. External pressure against bilateral agreements" of this type, based on the argument that a comprehensive solution is needed, has also inhibited progress.

Another, little-known example of a CBM is the way in which the Honduran and Nicaraguan governments maintain "informal ways of avoiding border incidents." An expert on conflict resolution noted that the Middle East experience has shown that informal measures often work better than formal ones. In any case, another participant argued, the Costa Rica-Nicaragua attempt should be revived to test the environment — both political and physical — and to provide experience for later application in the more difficult northern border area. Such an effort would also be relevant for addressing the territorial disputes between Honduras and El Salvador. In this respect, it should be recalled that each country in the region has a very diverse set of security concerns and threat perceptions, some of which are not directly related to the issues of peacekeeping the Roundtable has been discussing, but which nevertheless influence how these nations approach negotiations.

The joint initiative of the Secretaries-General of the UN and the OAS represents an important peace-building initiative. "This is the first time that the two Secretaries-General have acted jointly, partly because both are Latin American but mainly to help overcome the mythical competition between regional and universal organizations. There is no such dichotomy." As well as touring the region, the Secretaries-General presented an "offer of services" to the Central American countries, the Contadora and Support group members, Cuba and the United States. These services are available before or after a settlement is reached, and they refer to the entire range of issues and options under discussion.

Specifically, the UN has experience in establishing a military presence at borders; it is able to verify agreements for the reduction or withdrawal of armaments or regular forces. It can supervise elections, assist refugees and study allegations of human rights violations. The UN can also expand economic assistance programmes. There is no requirement for UN members to conform to a particular political system but the organization does demand respect for human rights. So far, Nicaragua has indicated that it is interested in one of the services; "there has been general acceptance by the other states, without [specific] commitments."

A European participant drew attention to the fact that the visit of the Secretaries-General "was strongly opposed by the United States, which has been generally reticent toward UN involvement in the hemisphere. At the same time, since we are witnessing the twilight of the *contras*, and a direct United States invasion is not going to take place, what alternatives for a fallback position exist for the Reagan Administration?" In this respect, UN-OAS involvement could be a "vital element" in "a face-saving solution" for the United States. Since

the United States has been "hostile" to their involvement up to now, is this a problem and, if so, how do we deal with it?

A Canadian professor added that it is important to do some creative thinking now about what can be done with the *contras*. "Nicaragua has a generous amnesty programme, but many of them may not wish to return." Where could they go? "To Miami? Can Canada help? Honduras needs assistance to deal with this difficult issue."

The Conflict Between the United States and Nicaragua

As in the first session, there was considerable discussion of the role played by the United States. A US participant maintained that it was a mistake to assume that the *contras* were a dead issue or that funding would end in six months. This assumption did not take into account that "they are fighting freely against the Nicaraguan government. They haven't been recruited; they are part of the refugee problem." Many in the United States, especially in the Department of Defense, wanted to know what would happen if a Contadora bureaucracy with verification procedures were set up and many violations by Nicaragua occurred. "If we didn't have the *contras*, what would we do? We need a stick — something short of United States intervention."

An American academic disagreed with this assessment: "I find it profoundly humiliating to my country . . . to say that we don't have a stick without the *contras*. The United States, as a superpower, doesn't need the *contras*. The hell we haven't recruited them. The United States organized them around a core of ex-Guardsmen. How can the *contras* attract support in Nicaragua when they are perceived as a CIA-organized force based on former Guardsmen?"

"It's up to all of us who want to see a sensible solution to the problems in Central America to prepare the ground," he continued. The Arias Plan offers a step in that direction; it calls for the creation of a verification commission and this represents an important step toward a comprehensive Contadora agreement. It is very important for other countries — like Canada and members of the Support Group — to indicate openly their willingness to participate in a verification and control commission.

"Why not have everything ready to go right up to an agreement at Esquipulas? If an agreement can't be signed, make it clear why not. And make it clear to Congress that measures are in place; that there is general agreement among governments; that the attitude of the present administration is the sticking point." It is necessary to keep pushing for a final agreement even if it is not possible yet. Conditions are changing

and new openings may emerge. "There are ways for encouraging the United States to move." Canada and other states can create the space and opportunities needed for such movement.

In a further comment on the statement alleging the United States' need of the *contras*, a conflict resolution expert added: "I'm staggered and amused to hear that the United States would have a major security problem"if Nicargua did not respect its side of an agreement. "We don't worry about what Nicaragua would do if the United States did not fulfill its side of the agreement. We tend to turn issues upside down. We don't worry about little Namibia facing South Africa, or a small Palestinian state facing a strong Israel. It is not an unclever ploy because we end up addressing opposite concerns."

Recapping critical issues, a Canadian professor asked: What concrete measures are available to press the Reagan Administration into supporting a limited agreement like the Arias Plan or even a comprehensive agreement? What steps can be taken to help Central American states to act independently? Who has veto power in negotiations? Are there carrots and not only sticks available to encourage the adoption of CBMs?

CMBs for the United States and Nicaragua

A Canadian Parliamentarian remarked that the Roundtable keeps coming back to the fact that there is no disposition on the part of the United States to consider a settlement that permits the existence of the current government in Nicaragua. Therefore, CBMs are needed which convince the United States that Nicaragua is not a real threat. Although "the growing solidarity movement has had a positive effect" on American-Nicaraguan exchange, more person-to-person contact should be promoted with "international support for Nicaraguan visits to the United States."

"The idea of confidence building," an expert in this area continued, "works in several directions. Part of it has to be oriented toward giving confidence to the United States" while Nicaragua needs similar assurances; that is, a part of the quid pro quo has to be the recognition of the legitimacy of Nicaragua's current government. There is also an "important distinction" to be made between governmental and popular confidence. "The people of the United States have the right to ask Nicaragua not to establish close military relations with the USSR." Steps in both these directions would "eliminate the worst fears." However, to achieve this, various third parties would have to come in to assure both sides; they will have to fill the vacuum left by reduced United States and Soviet roles in the region. A participant from the

United States stated that "Canada's status in the hemisphere has always had some ambiguity. We may need your role as a helpful fixer . . . and you may be called on in the future."

The restoration of normal trade opportunities for Nicaragua would have a salutory effect on the Nicaraguan economy and on Nicaragua's sense of confidence, according to a Canadian who had recently visited the region. "It's been suggested that the Government and citizens of Nicaragua may be tending towards paranoia, out of despair over the erosion of the economy as a consequence of the war and the blockade." The promotion of trade opportunities on the part of countries such as Canada would be an important CBM.

A key issue, a Latin American argued, is how Nicaragua could contribute to the "creation of conditions that would make the United States feel that it could entertain an agreement." What are the legitimate interests of the United States? The discussion, it was noted, had addressed not only security concerns but also "perceptions of security threats." In this respect, a review of Nicaraguan-United States relations suggest that the Sandinistas, "short of committing collective suicide," can do little to "satisfy United States security perceptions."

First, Nicaragua was accused of channeling a "flow of arms" to the Salvadorean rebels. When this turned out not to be the case, and Nicaragua in 1983 proposed a draft treaty to refrain from "military assistance to any party in El Salvador," the United States' "preoccupation became democracy." Nicaragua held elections but "this did not seem to affect perceptions." Then, as Nicaragua focused on bilateral negotiations, the United States began to argue for "global solutions" in 1984-1985. Nicaragua accepted the global approach and the United States discovered a series of problems with Contadora. Now the Arias proposal has been presented. "Perhaps the last thing that Nicaragua should do is accept the plan, because the next thing that the United States would do is discover serious problems with it." Nicaragua has already stated that it will not permit foreign military bases on its territory; it has also presented specific proposals concerning foreign military advisers and arms acquisitions. "Negotiations imply that your opponent is legitimate. If Nicaragua is the cancer of Central America, how do you negotiate with a cancer? This problem will have to be addressed immediately."

"There is a preoccupation in the United States," another Latin American noted, "to solve the problem of Central America." As long as this is the objective, the United States will be moving further and further away from a solution. It should instead focus on securing its "legitimate security interests." By doing so the United States could

"join forces with others to solve the problem and at the same time secure those interests."

"I couldn't agree more," a participant from the United States responded. Why not hold direct United States-Nicaragua negotiations which would result in a bilateral agreement which could be a protocol of the Contadora agreement? "I am uncomfortable with leaving the negotiations of our interests to third parties." This has resulted from the United States' unwillingness to negotiate, "but it's high time we join in." Are there objections to the United States supporting Contadora but discussing "specific security concerns with Nicaragua separately? . . . This would be complementary to the Contadora process. Many Americans would have more confidence in an agreement in which the United States participates."

A Latin American responded to these questions, noting that the Contadora draft treaty, as the Roundtable discussion had already indicated, addresses many security issues. The "Caraballeda Message" also deals with security matters with reference to the "reciprocal obligations" of all the Central American countries and the United States. In fact, it is dialogue between the United States and Nicaragua that is lacking. There is a clear link between regional and bilateral negotiations; they are complementary.

Priorities

A member of the Canadian academic community asked Roundtable members to identify priorities. "On the one hand, there is acceptance of Contadora as a framework. On the other hand, we are not likely to see much change in United States policy before 1988." There are hopes for Esquipulas but there is immobility in Washington. Given this situation, which instruments should be highest on the agenda? Which are the most effective CBMs in Contadora's view? Do the Contadora powers expect a breakthrough? If not, is the best hope in economic, humanitarian or diplomatic measures?

A Latin American replied by referring to diplomatic initiatives. The principal goal is "to prevent a deterioration of the situation and war." Therefore, the danger posed by border incidents has priority; border-monitoring agreements are needed — if flash points can be managed, negotiation on other issues, such as the foreign military build-up, can follow. Esquipulas presents an opportunity to resume negotiations either on the Contadora draft or on very specific measures. The holding of the meeting can be considered an objective in itself. CBMs should be considered with reference to two levels: 1) the prevention of war in an "emergency situation" and 2) steps toward a regional agreement.

A decision at Esquipulas to proceed with negotiations, however small the progress made there, would be an "immediate CBM", another Latin American proposed. The five Central American countries should be asked to take each others' security interests — not only those of the United States — into account, and also address the question of what to do with the *contras*. The Central American countries "are at the centre of the stage . . . The success of CBMs depends on negotiation paths chosen by them and the willingness of other countries not to jeopardize the decisions made." The main burden of negotiations has to be carried by the Central Americans — "Contadora can help but can't make them viable." However, relations of dependency make progress difficult and the legacy of history limits their capacity to transform social and economic structures. "At times, it even seems that confidence is derived from the persistence of dependency."

Economic CBMs

Various Roundtable participants proposed economic CBMs to advance the peace process and promote greater autonomy and interdependence through increased growth and regional trade. The roots of the current conflicts lie in historical social and economic imbalances rather than the recent past. To reduce tensions and promote "a broad and enduring solution," a great deal of technical and economic assistance is required.

Economic CBMs address "the long-term converging interests of the Central American countries. They are measures on which "a common political will" exists, which provide opportunities to reorient aid programmes, and to which "Washington would not object." For example, the Economic Commission for Latin America and the Caribbean (ECLAC) has "spearheaded" what still remains rather "tentative talk" concerning a technical commission to "research and strengthen" trade and financial arrangements between Central American nations." How could this be activated? Contadora also has a development commission. It has proposed the creation of a hard currency clearing-house and one annual settlement of trade accounts among the Central American nations. Canada has been approached informally but "nothing has happened" for lack of hard currency. It should be remembered that the Contadora draft treaty incorporates social and economic as well as security measures.

Central American countries, a Canadian participant argued, need to develop the kind of interdependence Europe created after the war. Communications between them are limited; a decline in trade has taken place; road networks are inadequate. To turn the situation around, the Central American Common Market has to be reactivated,

the idea of a Central American Parliament should be pursued, border bureaucracy can be reduced and road networks and communication systems must be improved. While all this involves local effort it also "requires external assistance from donors such as the Canadian International Development Agency [CIDA]."

A member of the university community proposed that economic CBMs could be used to reward cases of successful conflict resolution such as "the successful management of the difficult issue of ethnic groups" on the Atlantic Coast of Nicaragua. "Canada could proceed with a major aid programme in recognition of the fact that dialogue has been institutionalized there."

These suggestions raised again the issue of the priority of political versus economic initiatives. "There are very real limits to the kind of measure which can be taken in the absence of a more stable environment in the region as a whole and within some countries." While humanitarian assistance and development aid for certain projects should be provided, it is nearly impossible to visualize "major forward movement in economic growth in the absence of a settlement." Debt loads are high; export prices are depressed. "We should be realistic about how much can be done in the short term and in the current political environment." A participant from the United States asked Roundtable members also to consider how calls for increased aid are "going to play" in the United States Congress and with the public.

Refugee Programmes as CBMs

Durable solutions to refugee outflows, it was suggested, could help reduce border tensions. Third parties could contribute significantly toward the resolution of the problem.

For example, there are 31,000 recognized refugees in Costa Rica; 21,000 of them receive assistance from the United Nations High Commission for Refugees (UNHCR). "But there actually are some 250,000 foreigners in the country — about 10 percent of the population . . . Seventy percent of the refugees are from Nicaragua." Most of them say that they have left "because of systematic human rights violations." Some say they are "seeking better work opportunities." A few say they are resting from their normal war activities."

Other countries face similar problems. Honduras has refugees from El Savador, Nicaragua and Guatemala. Approximately 45,000 are under UNHCR protection, but another 200,000 are not. Depending on what happens in the future, the numbers may grow.

A few concrete CBMs related to refugee repatriation have been taken. Although the situations in their countries of origin are far from ideal, the government of Honduras has promoted voluntary repatriation to both El Salvador and Nicaragua. Despite problems, communication has been maintained. A group of Miskitos is in the process of returning. The return of some Salvadoreans is being negotiated. Third parties were encouraged to provide more assistance for the implementation of these types of initiatives and for refugee relief programmes in general. Central American countries "deserve more solidarity and support — not just talk about democracy and self-determination" — to deal with the enormous problems produced by such massive numbers of displaced people.

A Canadian who had visited refugee camps and spoken to UNHCR officials questioned whether the repatriation of Salvadoreans was in fact voluntary. He also complained that the UNHCR and the Salvadorean and Honduran governments had failed to provide clear responses to his queries concerning the most appropriate measures that third parties could take. "No one knows what the answer for refugees is — whether it should be resettlement, repatriation or something else."

It was clarified that some 4,000 to 4,500 Salvadoreans, who had presented a written request to UNHCR representatives earlier this year, were involved. Commission policy encourages only voluntary return. It should also be recognized that "some political forces in the Nicaraguan and Salvadorean camps discourage people from returning." As a consequence some have been "forced [to go] to third countries for political reasons by irregular forces."

The refugee problem demands more attention. However, while working to improve their "living conditions," a conflict resolution expert warned, "the temptation to use them for purposes of political propaganda" must be resisted. Further, it was argued: that the search for a peace settlement and a solution to the issue of irregular forces address the roots of the refugee problem; that both war and refugees result from social and economic problems that call for greater economic assistance as well as scientific and cultural co-operation; and that there exists "a vacuum in United States policy toward refugees." Finally, a participant from the United States observed that all social upheavals and revolutions create refugees — "refugees left the United States for Canada in 1776."

Third-Party Roles

Third-party roles in the peace process were discussed at some length on various occasions during the session. Refugee, payments and other

problems are not subject to solution by individual countries or through assistance by a single country, a Canadian Parliamentarian stated. "Third-party initiatives have to be taken on a scale that counts if you want to convince the United States. No single third party is big enough . . . Institutional development is also necessary" in Central America to articulate "all facets of the problem" in a way that could be addressed by a number of third parties acting together. "Many countries have to be involved so that none can be isolated or labeled communist." For example, the re-enactment of a type of Marshall Plan could act as a CBM for the United States. Would the Central American and Contadora countries look favourably on this? "A major invitation from the region's governments is needed to get a major response from third parties."

Where should third-party involvement be directed? To diplomatic efforts with the United States or to the problems within central America itself; to specific issues related to refugees or to economic assistance programmes on a larger and more profound scale? Public opinion in Canada, as reflected in the response to the foreign policy review, favours a more activist role in Central America. "But political will has to be translated into specific strategies. There's no point to deciding on a strategy" and discovering that one or another country in the region does not accept it. "Not knowing what is acceptable is a part of the problem." While Canada has been "correct" on Central America the passivity and lack of energy it may have shown arise "in part from not being sure where energy should be directed."

A Canadian academic added that Canada is unique in the hemisphere in that it is a member of the UN, the Commonwealth, *la Francophonie*, the Organization for Economic Co-operation and Development, etcetera, as well as having a special relationship with the United States. Can these assets be used in Central America?

In addition to the earlier suggestions concerning economic CBMs and refugee relief programmes, various participants reiterated the need for demonstrations of political will and greater diplomatic involvement by third parties. To make significant progress, the participation of third parties who mght act as guarantors would probably be necessary or helpful. "When one party is not providing leadership [toward a solution], it falls on others to take up the slack. A lot will depend on how much countries like Canada are willing to take up — how much more involved they are willing to become." A conflict resolution specialist expressed doubts about "accomplishing anything" before 1988. In any case, it was also noted that the negotiation of CBMs will be a slow process and it is difficult to evaluate whether or not progress is being made.

Are there any CBMs the United States would accept during the next two years? Are there any CBMs that Western Europe or Canada would be willing to put forward and "face some sort of displeasure from somebody?" In this connection, the "silence" with which the decision of the International Court of Justice was greeted when the issue came up in the General Assembly "is worrisome." Which measures would third parties be willing to support — aside from minor assistance to deal with refugees or the Atlantic Coast?

A Canadian Parliamentarian referred to Prime Minister Mulroney's September 1986 speech in Vancouver, in which he expressed support for Contadora and stated that the Central American crisis should not be seen in East-West terms. "This did not receive coverage in the American press — it appeared on page eight of the *New York Times* two weeks later. The Prime Minister did not speak out forcefully enough — in a way that Americans could hear." The issue "hasn't come to the fore in any of the summits with Reagan."

It was also noted that United States-Cuban relations are important for negotiation approaches. Do we need to bring Cuba into the process? Do we need progress on United States-Cuban relations before progress can be made on United States-Nicaraguan relations? If Nicaragua cuts military ties but retains close political and economic ties with Cuba, would that be acceptable to the United States? What would all of this imply for the Inter-American system?

A conflict resolution specialist concluded the session by observing that "while most people think about stable systems of inter-state relations in terms of peace, there are a number of stable systems of conflict. We don't want to add Central America to the list. The question is how to encourage defection from emerging systems of conflict by using both carrots and sticks. Or do we have to have a major crisis as a catalyst for change?"

3. Session III. Interim and Confidence-Building Measures: The Politics and Mechanics of Implementation

The Situation Addressed

The implementation of interim and confidence-building measures must engage parties at various levels, including:

Bilateral — addressing immediate local tensions in order to reduce flash points and buy time;
Regional — maintaining multilateral discussions and contacts between the regional actors and involved participants

such as Contadora, the United Nations and the Organization of American States;

Extra-Regional — responding to legitimate interests and concerns, and taking advantage of available economic, diplomatic and peace-promotion resources.

DISCUSSION

Esquipulas: The Need for Preparation

The meeting of heads of state scheduled to discuss the Arias Plan in Esquipulas was considered a critical step forward. The Contadora and Support groups, at their Bariloche meeting, considered the Esquipulas Conference "an integral part of the Contadora" process; for the first time there is consensus among the Central American states on the discussion of a specific document. No one has rejected it. "This does not mean that they agree on every comma and clause, but at this point that is not the most important consideration." The willingness to hold a dialogue is most important.

Various participants from different regions and countries stressed the importance of advancing toward a settlement at Esquipulas. However, the planning activities for the meeting "have not been impressive." It was suggested that the Guatemalan government could take a leading role in this respect. In addition, Central American governments should respond systematically to the Arias Plan while "other countries, including Canada, should determine their positions." It is "very important" that all this take place before the Esquipulas meeting.

Why not aim at and prepare for signing an agreement and establishing "an international committee to monitor, supervise and verify it?" Countries "trusted by all sides" must be included in this committee to monitor adherence. Canada as well as other hemispheric powers, such as Brazil and Argentina, which don't have a vested interest in Central America, suggest themselves. "Would such participation on an international committee be considered important by the Central Americans? Would this be a useful role for Canada and other countries in terms of furthering progress toward a settlement?"

A Central American responded that the eighth point of the Arias proposal mentions a follow-up committee, composed of the Secretaries-General of the UN and OAS and the Foreign Ministers of the Contadora and Support groups, to supervise the execution of agreements. However, this does not mean that other parties — with the agreement of the five Central American countries — could not participate in such supervision and verification work. "In my personal

view, Canada along with other countries could play a very important role in a committee like that."

Another Central American participant urged that certain questions be addressed immediately to get out of the "standby position in which we find ourselves now." One of the most precise CBMs is the cease-fire included among the ten points of the Costa Rican proposal. Esquipulas will be a test of "the willingness of the parties involved, as well as of third parties from the East and West," to advance a peace process.

It was also proposed that it would be important for the governments meeting at Esquipulas — once the international committee is formed — to call for a return to the concept of a protocol signed by all those extra-regional powers with any involvement. This would apply to the United States, the Soviet Union, Cuba, France and Israel, all of whom have supplied arms to one side or another or have been involved in some way. "They must be committed to respecting the provisions of an agreement. It is essential that these structures be established soon. If this point could be reached, it would begin to clarify the issues." A Latin American expressed doubt concerning the United States' willingness to accept a linkage to Contadora by signing a protocol. The draft treaty contains four protocols: for the Contadora countries, for the United States, for other states to express their support and for the parties on the verification commission.

While a Canadian argued that the participants and the outside world must approach Esquipulas with "the attitude that it will be a success," a Central American cautioned against overoptimism. "We should not expect spectacular results. If expectations are too high, we will have another problems if the Arias agreement is not signed — false expectations can affect the course of negotiations." He referred to a statement made during Session I to the effect that "it will be a success if it does not fail" and added: "I would say, if it takes place it will be a success." The five Central American countries will be meeting for the second time. "This is symbolic of a disposition to talk to each other and it responds to those who justify aggression on the basis of Nicaraguan threats to its neighbours." Another participant added: "The crux of the matter is that no agreement can be satisfactory until the United States changes its present position of being unwilling to commit itself to terminating aid to the *contras* upon signature. That position will have to change."

United States Policy and the Need for Alternatives

The Roundtable participants agreed that no change in United States policy toward a negotiated settlement in Central America could be

expected in the next eighteen months? "More likely, the Reagan Administration will stick with the *contras* as long as it can." However, this does not mean that nothing can be done. Change is "on the way" because that policy is not viable. Public opinion polls have consistently demonstrated that the American public does not support it. Current policy "does not achieve any United States objective." It places the United States in the position of defying the World Court. And it is most "unlikely that Congress will continue to fund that failed policy." Although the Reagan Administration can find ways of keeping the *contras* going, even "sweeping changes" may be expected. "A 180-degree turn in policy is not unlikely in the next two years," depending on the outcome of the 1988 elections but not only on them, for "even Republicans will have to take a new look."

Nevertheless, it was generally agreed that "we must do what we can to make the alternatives clear now" and "avoid falling into the habit of just living with the situation." "Attractive alternatives" must be worked out to convince the United States that its security interests can be protected within a negotiated framework. Whether or not we assume that major changes will take place after 1988, an autonomous advance of the peace process could hasten policy changes in Washington. The causes of conflict among the Central American countries "are not that deep but they are deepening;" hence it is essential to move the peace process forward through interim measures or, indeed, through CBMs that address "concerns on all sides." It is important to "do it now." If we wait for a change of position by the United States government, the change will be less likely to come. "The onus has to be put on the United States government to change" its policies.

Steps Towards United States-Nicaraguan Dialogue

We must "target the crucial issues of misunderstanding between the United States and Nicaragua," a participant from Latin America argued. "How can we tackle this? I propose we start with some interim measures and work up the ladder to CBMs." These could be channeled through enhanced international solidarity — which would have to go beyond official rhetoric — through the support of the European community and Canada for Contadora.

The bottom line, another Latin America stated, is that the United States won't change its position — until they are certain that there will be no Soviet presence in Nicaragua. On the other side, Nicaragua will not disarm until it is absolutely certain that the United States won't intervene. Until that time, it will not allow foreign advisers to leave nor break away from any political alliances. "Nicaragua does not present itself as an enemy of the United States, nor does the United States need

to be Nicaragua's enemy. It is simply a matter of guaranteeing to the United States that there will be no Soviet presence," and guaranteeing to Nicaragua its self-determination, territorial integrity and sovereignty. The question is: how can we start on providing guarantees to both?

A Central American proposed that, if the two would begin to talk to each other, certain "common concerns" could be identified and discussed. Both are concerned about a foreign military presence in Central America. "We can't ignore the fact that the United States is a regional power." Perhaps it is unrealistic to demand that there be no foreign military manoeuvres or bases in Central America "but we could begin to speak of the regulation of their presence until we reach that day when they can be eliminated." There is also a common insistence on strict verification and control.

Verification and CBMs, it was pointed out, are usually discussed with reference to the need to reassure Honduras, El Salvador and the United States. But what about Nicaragua? If Nicaragua should violate a treaty "there is no doubt about the consequences — the house will fall in. The United States does not need surrogate forces to assure security but who gives assurances to Nicaragua?" Nicaragua takes risks in putting its security in the hands of the international community and public opinion, for it is not a member of the Warsaw Pact nor is it under a nuclear umbrella. In fact Nicaragua is taking "very grave risks by agreeing to certain provisions" because Contadora cannot guarantee it "one hundred percent security."

To "reduce tensions," a participant from the United States suggested, both parties could take certain "politically feasible" steps. The United States National Guard manoeuvres in Honduras "serve no purpose;" they are essentially "posturing" and there could be a lot of support for stopping them. A "rhetorical cease-fire" should be called by both sides. "Reagan may go overboard on some occasions but neither is the Sandinista hymn confidence producing." The United States could also increase its involvement in the refugee problem. Nicaragua, for its part, could restore civil liberties — open *La Prensa* and *Radio Catolica;* release political prisoners; get rid of Cuban technical advisers (many Congressmen who went to Nicaragua in 1986 changed their vote because of the presence of Cubans in the negotiating team); "be honest about arsenals;" readmit exiled priests.[1]

Other participants identified United States support of the *contras* as the key issue. The International Court of Justice called for a cease-fire in

[1] Since the signing of the Guatemala Accord, *La Prensa* has resumed publishing and *Radio Catolica* broadcasting, and exiled priests have returned to the country.

1986. The United States should abide by the Court ruling. "The legal obligations of states can't be considered optional CBMs. There must be compliance with certain principles of civilized international conflict." Moreover, "to think that support for the *contras* facilitates a return to democracy in Nicaragua is a grave error." Any external aggression limits the individual rights of citizens. In the United States, after Pearl Harbor, did any papers print articles favouring Japan? "Let's remove the external aggression which impedes the development of rights and allow Nicaragua to develop its own political process."

Nevertheless, a Canadian pointed out, Nicaragua's neighbours are concerned about its future intentions. They can accept the reasons why the Nicaraguan army should be large now, but not in a post-*contra* period. Further, it will be difficult for the Nicaraguan government to disband the army because the marketplace will be flooded with soldiers looking for employment; this will cause greater economic disruption. It would be useful, therefore, if the government announced a demobilization plan which would come into effect when hostilities cease. On the other hand, he continued, "Nicaragua's neighbours must recognize that activities on their soil are causing problems for Nicaragua. The neighbours can do more to control them, despite external pressure," and should look at separate border agreements with Nicaragua.

In this respect, the fact that even two years ago Costa Rica and Nicaragua were able to arrive at a preliminary agreement to create a border commission is a significant precedent. The recent UN-OAS offer of services is also "very important" because it provides their experience in international supervision of borders. The monitoring of border agreements requires assistance from international organizations as well as from Canada, which has extensive experience in this field. If an agreement is reached, Nicaragua could withdraw its suit against Costa Rica from the World Court — this would help in building confidence. The urgency of reinitiating dialogue between the United States and Nicaragua was emphasized by various speakers. A rhetorical cease-fire by both sides is a necessary step towards this end. It would "bring an enormous sight of relief throughout the world." Although "spectacular results" or a "breakthrough" should not be expected, it is the critical first step. "To simply initiate dialogue would be a success in itself."

Role for Third Parties such as Canada

The importance of third-party support in general for the Contadora-led peace process, and of an enhanced Canadian role in particular, was stressed on numerous occasions by Roundtable participants.

A Latin American argued that "Canada has yet to come to terms with its real position in the hemisphere and the world — Canada does not perceive itself as a world power, which it is." This carries with it not only "opportunities" but also the "responsibilities" inherent in the capacity to influence the world. The time has come for Canada to "take action equal to its potential" — for example, with respect to CBMs to address the crucial issue of misunderstanding between the United States and Nicaragua.

Another Latin American continued: the role of third parties must be considered with reference to the fact that the crisis has a double dimension — United States intervention in Central America and the relationship of the United States to Nicaragua. What role can parties which have a very close relationship with the United States play in this regard? "Dialogue with Nicaragua is *the* issue that Canada and others can raise with the United States." Canada, moreover, shares the same continent and can take on responsibilities toward Central America that Europe cannot. Concrete steps in support of a solution can be taken — support for dialogue but also support for a regional agreement, including "the possibility of active participation in the verification commission."

"I can appreciate the problems of Canada's ambiguous role in the hemisphere," a conflict resolution expert stated, "but things are changing." There is a growing realization in the United States that the *contras* represent a "dead end." However, the alternatives presented are not very attractive — "pulling the plug and getting out or direct military intervention". In this respect, the Vietnam experience weighs heavily on the United States. Because of this, the United States is beginning to realize that it needs help in the Central American situation. The United States has had a strong hegemonic influence in the region. "It is difficult to (come to terms with the fact) that this is no longer true . . . Canada can help in establishing a new relationship."

"We need a shift in the direction of the Inter-American system, specifically through the OAS and its subordinate instruments." Fifteen years ago, the natural forum would have been the OAS; it has a long and fairly successful history of action in the region. In the last ten years, it has been undermined by a series of crises — Malvinas, Grenada and Central America. "I would call on Canada to accept a full role in the Inter-American system by becoming a member of the OAS." This also applies to "other Commonwealth members which have not signed the Rio Treaty or remain in an ambiguous status."

"The Inter-American military system provides a powerful instrument for verification. It was founded by the United States to serve its own

interests and has had a cold war orientation." But since 1982 this has been challenged increasingly by Latin America, which is no longer willing to go along with the assumptions of anticommunism. Nicaragua is fully represented on the Inter-American Defense Board. If a Canadian presence were added to the organization, "we would have a multilateral instrument with credibility." This has been proposed by Central Americans but rejected by Nicaragua because of United States dominance. However, it could be effective if there were a reduced United States presence.

Other participants singled out the importance of third parties as "countervailing forces" against the "enormous pressure from the United States" on Central American countries. "The degree to which the region's countries can agree is directly related to their degree of political autonomy vis-a-vis the United States." The roles assumed by third parties can be critical for increasing that autonomy. Economic CBMs can also be considered from this perspective. At the European Economic Community meeting in Guatemala, the Central Americans did not get as much as they expected — for example, export price stabilization. But there has been a start and commitments have been made. This is important for what it means to Central American "autonomies" as well as their economies. A Western economic presence is needed to escape United States pressure. "Two million dollars a day go to El Salvador. How can you discuss autonomy in that context." It is a difficult problem that cannot be solved without greater Western presence.

A Canadian Member of Parliament argued that "our job is to help Nicaragua and other countries to bring to birth a new political economy." He referred to specific and relatively small farming and fishing projects that could yield significant benefits by raising producers' incomes and national exports.

Assistance oriented toward increased regional co-operation was singled out by a European participant. It is essential for Central American countries to reinforce regional co-operation. The Action Committee for Socio-economic Development in Central America (CADESCA) encourages this. The European Community has supported this process and Canada should do likewise. "Nobody wants a CSCE situation in Central America — that is, the stabilization of a divided region." The future parallel for Central America should be the European Community and not the CSCE. Other participants stressed the importance of the Central American Parliament as a step toward regional co-operation and confidence building. President Vinicio Cerezo of Guatemala has provided leadership for its organization, and progress has been made, although unpublicized, through meetings of

Vice Presidents, Foreign Ministers and Parliamentarians from other countries.

In sum, while appreciating the distinctiveness of Canadian foreign policy toward the region and Canada's contributions to the peace process, Roundtable participants encouraged greater and more active Canadian involvement.

A Canadian Parliamentarian indicated that there were some problems involved: "Sainthood is being ascribed to our country," but some practical considerations should be introduced. "I have listened to a call for greater involvement, but how do we engage in this process? I haven't heard a specific invitation from Central America or Latin America. We're not going to invite ourselves to Guatemala. You won't get the involvement you have argued for without this. We need a higher level of invitation and encouragement from the Central Americans themselves. How?" It would have been helpful if the Secretary-General of the UN had come to Canada after the tour of Central America.

"We receive indignation from the churches and NGOs," but it lacks focus, a political strategy toward which interested Canadians could direct their energies. "We also have our own problems with freedom of action vis-a-vis the United States."

"We need to have a form of leverage." The best way to broaden Canada's reach is to work together with other countries and multilateral organizations — either formal or *ad hoc* — which provide a counterbalance. "Ever since World War II, we have found comfort in working with other like-minded nations." Canada, he suggested, could take a lead in response to the refugee problem, a "festering social and economic problem in Central America;" technical assistance should continue. In addition, "if we can specify a role for Canada in the broader picture, it could alter the allocation of our resources. It has been impressed upon me" that Central America does represent one of the few areas where Canada could help resolve conflict, and the world needs that kind of success. Another Canadian thought that Canada would remain open to play any role requested by the Central Americans but that the region's countries themselves must play the leading role in the peace process.

Resources Available from International Organizations

Various participants pointed out that in addition to deepening the awareness and broadening the involvement of Canada and other countries, it was important to take advantage of the services available from international organizations — the OAS and the UN in particular.

International organizations, such as the UN and OAS, are "per se confidence-building systems."

The OAS functions as a "regional system of mediation" with two basic purposes: 1) to circumscribe the use of United States power in the hemisphere and 2) to maintain peace among states in the hemisphere. No one has veto power, and the overriding principle of non-intervention governs the organization. The clauses to this effect are "the most detailed in the world" and make the OAS a "de facto mediation mechanism between the United States and Latin America." As such, the OAS has 1) a continuing presence, 2) complex collective instruments and 3) the long-term goal of restraining the use of force.

While OAS responsibilities are designed to cover many fields of action, the major one is the cessation of armed conflict — that is, "the reconciliation of sovereignty with international order." In Central America, CBMs of a military nature are needed first of all in order to reduce the risk of a conflict brought about by mistake or misinterpretation. The OAS and the UN can play roles here. Confidence, after all, refers "to perceptions — to interpretations of events;" therefore CBMs must respond to specific conditions — "there are no set standards." A state's decision to accept mediation is a careful calculation influenced by national and international events.

The role of the UN has traditionally been limited in Latin America because of United States opposition. Similarly, ten years ago, the Secretary-General could not play a role in disputes involving Socialist countries because of Soviet opposition. That has changed; for example, human rights issues in Poland and Afghanistan have been discussed, and observers have been let in. There is no reason why the United States should oppose a UN role any longer. Should the Central American countries request a UN role, it would be difficult for the United States to resist if there is support from major Western allies as well as the Contadora and Support groups. Canada and other Western contries could play an important part in any such UN activity. The United Nations High Commission for Refugees (UNHCR), a Central American participant noted, is already playing a quiet but very important role. More Nicaraguans were repatriated in 1986 than in the previous five years. Informal agreements between Nicaragua and its neighbours have been worked out to ensure the voluntariness of the repatriation process.

The responsibilities of different parties were debated on various occasions during the Session. A Latin American stated while "we agree the United States' intervention in Nicaragua is stirring the muddy waters of the crisis, it has to be said that there are also major internal

problems in the region . . . (During a recent tour of the region) I sensed the desire for lasting peace among the people" which is not fully represented at the governmental level. This is not to say that governments do not want peace. They do, but they appear "not to fear war. If this is really the case, the crisis is at a dangerous crossroad." Even though Contadora provides a framework, and can contribute ideas and a certain environment for peace, "the solution can only come from the Central Americans themselves." Therefore, the international community's efforts should also be directed toward creating the political will in Central America to agree on a framework for peace. Another participant observed that Contadora was created because the Central American countries were not talking to each other and until 1982 they did not trust the international organizations, the OAS in particular.

Democracy, Peace and the International Community

Various participants considered the consolidation of pluralistic democracy as the best guarantee for peace and coexistence in Central America. A democratic system ensures "predictability, the possibility of conciliation and internal social equilibrium." the problem is: how can democracy be consolidated in a situation where there is external intervention and an economic crisis as grave as the one that exists in Central America?

Nicaragua's constitution endorses a pluralistic political system, a mixed economy and a non-aligned foreign policy. "Perhaps some internal groups are not convinced by it but others are." This constitution also can be interpreted as a CBM, as can the municipal elections scheduled for next year. How can the international community help fulfill what the constitution promises? "How can we help Nicaragua avoid the necessity of opting for wartime communism, not out of ideological choice but out of necessity?" If that happens, there will be war in Central America. The day the United States sees the consolidation of a one-party state and a collectivized economy in Nicaragua is the day the option for an alternative policy within the United States will no longer exist. The response — whether the President is a Republican or a Democrat — will be intervention, and not by the *contras* but by the United States Army.

To prevent this from happening, a Latin American argued, the only practical measures the international community can take are to provide co-operation and support for the economic and democratic development of Nicaragua and the other Central American countries. How can Central American autonomy be increased? "Sometimes, when the developed countries of the West and some Latin American

countries speak of pluralistic democracy as the solution, they are being great hypocrites because they are not contributing, even minimally, to what is necessary for creating conditions for democratic development."

We must also place the issue in its historical context. "How can a citizen who has never lived in freedom, during decades of dictatorship and foreign intervention, fully understand democracy?" Democratization takes a long time. Each democracy is the product of a people's history — "not an item for export." Swiss-style democracy is unimaginable anywhere in Central America.

"Let us avoid the fatalism which will lead to wartime communism," and instead contribute technically and economically to make a mixed economy possible in Nicaragua. While supporting democracy, another participant cautioned that the injection of this issue into the international negotiation process must be avoided; it would be counterproductive — "an anti-CBM."

A Canadian Parliamentarian offered some concerete proposals concerning support for the development of a mixed economy and the implementation of agrarian reform in Nicaragua. He also suggested that the Canadian Labour Congress monitor the enforcement of the labour rights guaranteed by the Constitution.

International support, in sum, was considered critical to create the conditions for peace which, in turn, would permit the resolution of economic, refugee and other problems. A Central American called for concerted Western support: "Don't leave us alone."

In conclusion, an international relations specialist argued that neither the maintenance of its economic position nor of democracy — witness Chile — is the principal concern of the United States. Rather it is the preservation of hegemony. The United States will not tolerate a government it perceives as hostile, because such tolerance could be interpreted as a sign of weakness by both friends and enemies. This may have been "an adequate mindset in 1927" but it is not now — "The world has changed." It is neither feasible or necessary to maintain hegemony in Central America. The United States needs a "modern partnership" with Latin America, a partnership that is productive and benefits all sides.

4. Session IV. Multilateral and Third Party Roles and Initiatives

The Situation Addressed

Various forms of support and resources are required from Canada and from other third parties, acting bilaterally and/or multilaterally, in

order to reduce tensions and promote the peace process and the implementation of a peace accord.

DISCUSSION

Canadian Initiatives

As in previous sessions Canada was congratulated on its important contributions to the work of the Contadora Group, especially for providing advice on monitoring the supervision of security agreements. However, several Latin American participants also argued that Canada could do more in view of its unique position in the hemisphere, and as an interlocutor between Latin America, Europe and the United States. It can serve as a "bridge" in negotiations because of this "intermediary position;" it is "not distrusted by any of the parties" to the conflict in the region; it is a friend of the United States without belonging to the OAS. In some respects it is even in a "better position than the Contadora nations, who are perceived as big brothers and can act like parents in Central America."

Canadian initiatives in Central America should be viewed in this broader perspective of long-term relations with Latin America in general and not only in terms of the resolution of the current crisis. Through joint diplomatic initiatives and through co-operation in scientific, technical and economic development programmes, Canada can help Latin America overcome its dependence on the United States. Although Canada's relations with Europe are obviously very important, "it should not lose sight of the hemisphere it shares with 350 million Latin Americans." This implies responsibilities and a "reorganization of priorities."

A number of concrete proposals were advanced by various participants. In accord with the conclusions of the previous Roundtable (September 1985), it was suggested that Canada could take a leading role in forming an international support group for Contadora, composed of like-minded Western nations. New diplomatic space for this initiative is now opening up, as a consequence of the Iran-*contra* scandal in Washington and the Swedish proposal to organize a European support group. A kind of Helsinki Conference on peace in Central America has also been suggested. Much consultation remains to be done to make these proposals concrete. However, they are more urgent than ever in view of the continued militarization of the region.

Canada could also lead the way in the establishment of a "peace fund" to support Contadora's work. Why not think in terms of a programme on the scale of the Marshall Plan? The fund could finance the

institutionalization of Contadora and the technical studies needed to implement the June 1986 draft treaty. That treaty envisages the organization of ad hoc committees on Political and Refugee Matters and on Economic and Social Matters; the Verification and Control Commission will also have to carry out technical studies concerning "maximum levels for . . . military development" and other security issues. All this work should begin now in order to ensure the effective and rapid implementation of any peace treaty which is signed. Canadian, European and Central American research groups, and other institutions could co-operate in joint studies on conflict resolution and appropriate forms of development assistance to promote the type of equitable social and economic change that is the *sine qua non* for enduring peace in Central America.

In addition, a peace fund could finance the various types of CBMs and interim measures suggested in the course of the Roundtable. For example, "rewards" in the form of economic assistance should be provided where effective dialogue has taken place — on the Atlantic Coast of Nicaragua, for instance.

Canada could also channel some of its development assistance to Central America through CADESCA, the economic co-ordination arm of Contadora. European Community aid is already channeled through CADESCA and the Central American Bank for Economic Integration; by doing likewise, Canada would be making a substantive statement of support for Contadora and for the negotiation process. Other initiatives could include high-level visits by Canadian officials to the region; the establishment of an embassy in Nicaragua and an upgrading of diplomatic presence in general (the downgrading of the embassy in Guatemala was considered particularly unfortunate); increased assistance to Nicaragua; an open refugee policy including possible programmes for the *contras* (proposed changes in refugee policy are "worrisome"); a more active policy in the promotion of respect for human rights; encouragement of private investment once peace is achieved; support for the Arias Plan and encouragement of bilateral talks between Nicaragua and the United States, offering Canada as a possible venue; more high-level statements supportive of the Contadora-led negotiation process and a clearly expressed willingness to accept invitations to participate more fully — in Esquipulas, for example.

All this implies a greater and more visible diplomatic presence on the part of Canada. There is a precedent for this in Canada's energetic condemnation of apartheid and its support for the frontline states in Southern Africa. A concrete example is that the Southern African Development Coordination Conference (SADCC) has been granted

"core status" as an aid recipient. "Why not a similarly active role in Central America. It is a question of political will." Various Canadian participants observed that an informed and supportive constituency for such a high-profile policy exists in Canada. Parliamentarians, it was recommended, could organize an all-party group to support the peace process and encourage government initiatives.

A Canadian official reiterated concerns expressed in the previous session and cautioned against overly high expectations. "What is appropriate? What will be productive? What can we afford? We have to reconcile desirability with feasibility." While proposals being made by Rountable participants will be examined, earlier suggestions concerning action through multilateral organizations and agencies may be the most feasible. What Canada has done — its policy "record" — should also be considered: "it is anything but ambiguous." It has provided support to Contadora, specifically on verification and control mechanisms; the Secretary of State for External Affairs has stated Canada would consider an invitation to participate in a verification commission. However, any proposal will have to be examined carefully — Canada is not willing to sign a "blank cheque." And although Canada is not a member of the OAS, this "does not reflect on Canada's relationship with Latin America."

As far as economic support is concerned, $165 million has been disbursed to Central America, including Nicaragua, over the last five years. Canada has also accepted more refugees than any other country outside the immediate area of conflict; humanitarian aid has been directed toward displaced people, as in the case of El Salvador. Further, "the new refugee policy will not prevent genuine refugees from entering Canada."

With reference to diplomatic initiatives, Canada has not been asked to form an international support group by either the Central American or the Contadora nations. It respects the indigenous nature of the Contadora-led peace process and supports the proposals put forward by the Central American countries such as the Arias Plan, the Esquipulas meeting and the formation of the Central American Parliament. It is well known that Canadian policy is different from United States policy, and this has been stated at high levels. However, "we don't think anything will be gained by setting up loudspeakers at the 49th parallel." The critical pressures for change will have to emerge in the United States itself and it is necessary to be "realistic" about that.

A participant from the United States observed that Canada and other third parties "should not approach us from a moral high ground; that will immediately put the United States on the defensive."

European Initiatives

The United States allies, a European Roundtable member argued, must first of all work on positions and policies that will help the United States return to the negotiating table with Nicaragua. Along with others, he emphasized that a "soft landing for the post-*contra* era" must be prepared. There are also very serious political problems in the other countries — El Salvador, Guatemala and Honduras — that still have to be addressed.

Concrete measures for laying the foundations of a new order in the region can be found "in embryo" in the resolutions of the three successive meetings of the EEC with Central American Foreign Ministers in San Jose, Luxembourg and Guatemala City. The proposals that have emerged from those meetings have not been pursued as energetically as they should be. Specifically, and as already noted during earlier Roundtable sessions, both the Central American Common Market and the Central American Parliament are crying out for strong diplomatic and financial support. These, moreover, involve measures on which the Central American countries agree. The Common Market and the Parliament both help "foster the idea of oneness" in the region and, if successful, would make war "unimaginable." The Parliament represents a commitment to democracy and pluralism and its institutionalization could "reassure Americans who are mistrustful of Nicaragua" and the spread of its influence in the region. All the Western democracies — Canada, Europe and Latin America — could provide more support.

Initiatives responding to the most immediate problems should first of all include an expression of willingness to contribute troops and/or expert observers to peacekeeping and verification commissions.

Several participants called for special attention to the particular problems facing Honduras. "Third parties should reassure Honduras that it will not be forgotten" if a regional settlement is reached. Assurances of continued economic aid have to be provided. Labeled "the gendarmes of the United States," the Hondurans, in fact, have been "the victims of internal decisions and debates within the United States."

International Organizations, Third Parties and Central American Responsibilities

The UN and the OAS, a Latin American observed, have provided important support to Contadora. Their resolutions have consistently stressed Contadora as the means to achieve a peaceful resolution of the conflicts in Central America. "But resolutions are not enough; they

must be followed by concrete actions." The recent tour of the Secretaries-General and their offer of services represent a willingness to take action jointly. The Central American nations, he continued must "apply political will to give life" to the offers of aid from these two organizations. Their responses to date have been varied — greater determination to advance the negotiation process is needed.

Other participants agreed that "greater on-going internal consultation within Central America is essential" but also pointed to the intractable problems of dependency. In this respect, the need for greater support from third parties and multilateral organizations was reiterated once more. One participant noted the need for improved media coverage of Central American issues in the region itself and suggested that third parties could provide technical support in this area. A Central American concluded by echoing the earlier words of a colleague: "Dont't leave us alone in the arms of a powerful ally."

While agreeing with the general orientation and spirit of the proposal made during this and previous sessions, two Latin American participants cautioned against a "proliferation of support groups" and "overlapping proposals." The constitution of support groups requires the agreement of the Central American countries themselves. Extra-regional parties should, first of all, "focus on verification." This is Contadora's agenda and will be discussed at Esquipulas. The international community should "support regional proposals."

Role for Non-Governmental Organizations

Canadian NGO's have participated actively in the debate on Canada's policies toward Central America; they have also supported the projects of their counterparts in the region. Several NGO representatives explained their modum operandi and their principles.

In the area of human rights monitoring, Canadian NGOs respect internationally recognized standards, "without entering into ideological debates." They focus on the real situations of individuals and groups and analyze the extent to which human rights considerations are reflected in the positions and actions of political organizations. For example, a representative of the United Church of Canada recently visited Nicaragua, where he spoke with Bishop Vega and other church personnel. On the basis of this type of study and communication, the Canadian NGO judgement on religious rights in Nicaragua is different from the Reagan Administration's. "Our work," this representative said, can contribute to "the creation of a more honest approach" to the Central American crisis. Canadian NGOs are also aware of the intimate relation between human rights and social and economic

structures. "Structural and distributional problems have a direct impact on respect for or violations of human rights."

The impact of the external situation of each country on its internal political process is also monitored by Canadian NGOs. In addition, changes in any one country in Central America affect the internal conditions among its neighbours. The region must be looked at as a whole; despite the preoccupation with United States-Nicaraguan relations, "interest must be maintained in El Salvador and Guatemala; the situations in both countries are dynamic and changes would have implications for the entire region." The Canadian NGO effort is aimed at encouraging human rights monitoring in all countries by independent institutions. At the same time its seeks to promote greater Canadian government involvement in responding to human rights and refugee problems while deepening and broadening Canada's diplomatic relations in the area. Consequently, NGOs and churches have been particularly "distressed" by the downgrading of diplomatic representation in Guatemala and the recently proposed refugee legislation.

Like NGOs and churches, labour unions also promote sectoral linkages. However, this is difficult in authoritarian environments and situations where there is profound internal conflict. The Canadian labour movement is, therefore, deeply interested in "facilitating the peace-building process" in the region; this interest has been reflected in activities organized by Canadian trade unions.

It was generally agreed that NGOs, churches, the labour movement and the academic community are in a position to promote "people-to-people" contact to facilitate dialogue and build confidence; to provide balanced discussion on Central American issues "without importing Central American polarization into the Canadian context;" and to organize scientific, cultural, educational and sectoral exchange programmes. Various speakers saw the Roundtable as a step in the "broadening of cultural and political linkages" between Canada and Latin America, and an "example of the vitally important role NGOs can play" in the peace process. The Canadian government was encouraged to facilitate the work of NGOs.

Finally several participants noted that Canada shares certain cultural and geopolitical characteristics with Latin America that suggest the possibility of a "bridge-building" role — among them, the experience of cultural reconciliation among distinct linguistic and ethnic communities, and proximity to the United States.

During the last hour of Session IV, all participants were asked to briefly identify priorities for the coming months. A large number of specific recommendations made during the course of the Roundtable were reiterated in various forms. These included increased multilateral and bilateral economic assistance through regional institutions and to specific countries; support for democratization; the need to take "risks" for peace; and the like. However, most of the proposals concerned two themes: 1) the need for international diplomatic support for the peace initiatives underway (especially for the Arias Plan as a step toward a Contadora settlement); and 2) the Canadian role in the hemisphere. Many Roundtable members also emphasized the need for "peace with social justice."

While one participant noted that the United States' view of the crisis had not been fully represented in the discussions, another argued that the Roundtable accurately reflected international opinion. The question remains: how will Canadian and international opinion be fully mobilized and pragmatically channeled to support the Contadora-led peace process?

APPENDIX I

LIST OF PARTICIPANTS

From the Government of Canada

Tom Bradley	Privy Council Office
Stanley Gooch	Ambassador to Costa Rica, El Salvador, Nicaragua and Panama
John W. Graham	Director General, Caribbean and Central America Bureau, External Affairs
Lt. Col. J.R. MacPherson	Defence Relations Division, External Affairs
Randolph Mank	Caribbean and Central America Relations Division, External Affairs
Roy Norton	Office of the Secretary of State for External Affairs
André Ouellette	Political and Strategic Analysis Division, External Affairs
John Robinson	Vice President, Americas Branch, Canadian International Development Agency (CIDA)
Andrew Stark	Prime Minister's Office
Brian Stevenson	Caribbean and Central America Relations Division, External Affairs
Nancy Stiles	Director, Central America Bilateral Programme, Canadian International Development Agency (CIDA)
Rick Ward	Director General, Non-governmental Organizations Division, Special Programmes Branch, Canadian International Development Agency; Senior Country Programme Director, Anglophone Africa Branch

From the House of Commons

Lloyd Axworthy	Liberal Party; former Minister of Immigration and Employment
Donald Johnston	Liberal Party; External Affairs Critic, former Minister of Justice and Attorney General
Dan Heap	New Democratic Party; External Affairs Critic on Central America
Jim Manly	New Democratic Party; Critic on International Development Assistance

The Roundtable Planning Committee

John W. Foster	Chairperson. Staff Officer, Division of Mission in Canada, United Church of Canada; Canadian Church Observer, United Nations Human Rights Commission
Frances Arbour	Member, Refugee Status Advisory Committee, Department of Immigration; Researcher/Consultant, Human

	Rights and Refugee Issues; former Director, Inter-Church Committee on Human Rights in Latin America (ICCHRLA)
Meyer Brownstone	Director, Centre for Urban and Community Studies and Professor, Political Science, University of Toronto
Michael Czerny	Director, Jesuit Centre for Social Faith and Justice; Chair of the Executive, Inter-Church Committee on Human Rights in Latin America (ICCHRLA)
Timothy P. Draimin	Executive Secretary, Canada-Caribbean-Central America Policy Alternatives (CAPA); former Coordinator, CUSO Central America Programme
Liisa L. North	Associate Professor of Political Science and former Deputy Director, Centre for Research on Latin America and the Caribbean (CERLAC), York University; past President, Canadian Association for Latin American and Caribbean Studies (CALACS)

From the Canadian Non-Governmental Sector

David Dewitt	Coordinator, Regional Conflict and Conflict Resolution Studies, Centre for International and Strategic Studies (CISS), York University
Edgar J. Dosman	Professor of Political Science and Fellow, Centre for Research on Latin America and the Caribbean (CERLAC), York University
Rick Jackson	Director, International Affairs, Canadian Labor Congress (CLC)
Fauzya Moore	Grants Officer, Canadian Institute for International Peace and Security (CIIPS)
Geoffrey Pearson	Executive Director, Canadian Institute for International Peace and Security (CIIPS); former Ambassador to the Soviet Union; former advisor, Arms Control and Disarmament Division, Department of External Affairs
David Pollock	Paterson School of International Affairs, Carleton University and Fellow, Centre for Research on Latin America and the Caribbean (CERLAC), York University; former Director, Washington Office, United Nations Economic Commission on Latin America and the Caribbean (UN-ECLAC)
Tim Ryan	Director, Inter-Church Committee on Human Rights in Latin America (ICCHRLA)

From Latin America

Raul Alconada Sempe	Undersecretary of State for Latin American Affairs, Argentina
Alejandro Bendana	Secretary General, Foreign Ministry, Nicaragua; former Director General, Multilateral Affairs; former Ambassador to the United Nations
Javier Cabrera	Undersecretary for International Co-operation, External Affairs Secretariat, Mexico

Luis Alberto Cordero Arias	Vice-Minister of the Presidency, Costa Rica
Ronaldo Costa	Undersecretary General for Political Affairs, External Affairs, Brazil
Claude E. Heller	Director-General of the United Nations Section, Ministry of Foreign Affairs, Mexico
Federico Urruela-Prado	Ambassador of Guatemala to Canada
Leo Valladares	Advisor to the Minister of Foreign Affairs, Honduras

From the United States

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James Skinner	Legislative Assistant to United States Representative Robert Dornan (R)
Wayne Smith	Adjunct Professor, Latin American Studies, The Johns Hopkins University; former Chief of United States Interests Section, Cuba

From Europe

Edward Best	Fellow, Institute for European-Latin American Relations (IRELA); Fellow, International Institute of Strategic Studies
Hugh O'Shaughnessy	Vice-President, Executive Committee, Institute for European-Latin American Studies (IRELA)

From the United Nations

Francesc Vendrell	Senior Political Affairs Officer, United Nations Secretariat, Latin American issues; former UN Deputy Secretary and Acting Secretary of the UN Council on Namibia

From the Organization of American States

Harry Belevan-McBride	Senior Advisor to the Secretary-General and Chief of Staff

APPENDIX II

EXCERPTS FROM THE DRAFT CONTADORA TREATY

CHAPTER III

COMMITMENTS WITH REGARD TO SECURITY MATTERS

In conformity with their obligations under international law and in accordance with the objective of laying the foundation for effective and lasting peace, the Parties assume commitments with regard to security matters relating to the prohibition of international military manoeuvres; the cessation of the arms build-up; the dismantling of military foreign bases, schools or other installations; the withdrawal of foreign military advisers and other foreign elements participating in military or security activities; the prohibition of the traffic in arms; the cessation of support for irregular forces; the denial of encouragement or support for acts of terrorism, subversion or sabotage; and lastly, the establishment of a regional system of direct communication.

To that end, the Parties undertake to take specific action in accordance with the following:

Section 1. COMMITMENTS WITH REGARD TO MILITARY MANOEUVRES

16. To comply with the following provisions as regards the holding of national military manoeuvres, with effect from the signing of this Act:

    (a) When national military manoeuvres are held in areas less than 30 kilometres from the territory of another State, the appropriate prior notification to the other States Parties and the Verification and Control Commission, mentioned in Part II of this Act, shall be made at least 30 days beforehand.

    (b) The notification shall contain the following information:

        (1) Name;

        (2) Purpose;

        (3) Participating troops, units and forces;

        (4) Area where the manoeuvre is scheduled;

        (5) Programme and timetable;

        (6) Equipment and weapons to be used.

    (c) Invitations shall be issued to observers from neighbouring States Parties.

17. To comply with the following provisions as regards the holding of international military manoeuvres.

    1. From the entry into force of the Act and for a period of 90 days, the holding of international military manoeuvres involving the presence in their respective territories of armed forces belonging to States from outside the Central American region shall be suspended.

    2. After the 90 days, the Parties may, by mutual agreement and taking into account the recommendations of the Verification and Control Commission, extend the suspension until such time as the maximum limits for armaments and troop strength are reached, in accordance with the provisions of paragraph 19 of this

Chapter. If no agreement is reached on extending the suspension, international military manoeuvres shall be subject, during this period, to the following regulations:

(a) The Parties shall ensure that manoeuvres involve no form of intimidation against a Central American State or any other State;

(b) They shall give at least 30 days' notice of the holding of manoeuvres to the States Parties and to the Verification and Control Commission referred to in Part II of this Act. The notification shall contain the following information:

(1) Name;

(2) Purpose;

(3) Participating States;

(4) Participating troops, units and forces;

(5) Area where the manoeuvre is scheduled;

(6) Programme and timetable;

(7) Equipment and weapons to be used.

(c) They shall not be held within a 50 kilometre belt adjacent to the territory of a State which is not participating, unless that State gives its express consent;

(d) The Parties shall limit manoeuvres to one a year; it shall last not longer than 15 days;

(e) They shall limit to 3,000 the total number of military troops participating in a manoeuvre. Under no circumstances shall the number of troops of other States exceed the number of nationals participating in a manoeuvre;

(f) Observers from the States Parties shall be invited;

(g) A State Party which believes that there has been a violation of the above provisions may resort to the Verification and Control Commission.

3. Once the maximum limits for armaments and troop strength have been reached in accordance with the provisions of paragraph 19 of this Chapter, the holding of international military manoeuvres involving the participation of States from outside the Central American regional shall be prohibited.

4. From the entry into force of this Act, the holding of international manoeuvres with the participation exclusively of Central American States in their respective territories shall be subject to the following provisions:

(a) Participating States shall give at least 45 days' notice of the holding of manoeuvres to the States Parties and to the Verification and Control Commission referred to in Part II of this Act. The notification shall contain the following information:

(1) Name;

(2) Purpose;

(3) Participating States;

(4) Participating troops, units and forces;

(5) Area where the manoeuvre is scheduled;

(6) Programme and timetable;

(7) Equipment and weapons to be used.

(b) the manoeuvres shall not be held within a 50 kilometre belt adjacent to the territory of a State that is not participating, unless that State gives its express consent;

(c) The conduct of manoeuvres shall be limited to 30 days a year. If several manoeuvres are held each year, each manoeuvre shall last not longer than 15 days;

(d) They shall limit to 4,000 the total number of military troops participating in manoeuvres;

(e) Observervers from the States Parties shall be invited;

(f) A State Party which believes that there has been a violation of the above provisions may resort to the Verification and Control Commission.

5. Commitments with regard to international military manoeuvres shall be subject to the provisions of paragraph 19 of this Chapter.

Section 2. COMMITMENTS WITH REGARD TO ARMAMENTS AND TROOP STRENGTH

18. To halt the arms race in all its forms and begin immediately negotiations permitting the establishment of maximum limits for armaments and the number of troops under arms, as well as their control and reduction, with the object of establishing a reasonable balance of forces in the area.

19. On the basis of the foregoing, the Parties agree on the following implementation of stages:

FIRST STAGE

(a) The Parties undertake not to acquire, after the entry into force of the Act, any more military *matériel*, with the exception of replenishment supplies, ammunition and spare parts needed to keep existing *matériel* in operation, and not to increase their military forces, pending the establishment of the maximum limits for military development within the time-limit stipulated for the second stage.

(b) The Parties undertake to submit simultaneously to the Verification and Control Commission their respective current inventories of weapons, military installations and troops under arms within 15 days of the entry into force of this Act.

The inventories shall be prepared in accordance with the definitions and basic criteria contained in the annex to this Act;

(c) Within 60 days of the entry into force of this Act, the Verification and Control Commission shall conclude the technical studies and shall suggest to the States Parties, without prejudice to any negotiations which they have agreed to initiate, the maximum limits for their military development, in accordance with the basic criteria laid down in paragraph 20 of this section and in accordance with the respective timetables for reduction and dismantling.

SECOND STAGE

After a period of 60 days from the entry into force of this Act, the Parties shall establish within the following 30 days:

(a) Maximum limits for the types of weapons classified in the annex to this Act, as well as timetables for their reduction.

(b) Maximum limits for troops and military installations which each party may have, as well as timetables for their reduction or dismantling.

(c) If the Parties do not reach agreement on the above-mentioned maximum limits and timetables within such period, those suggested by the Verification and Control Commission in its technical studies shall apply provisionally, with the prior consent of the Parties. The Parties shall set by mutual agreement a new time-limit for the negotiation and establishment of the above-mentioned limits.

Should the Parties fail to reach agreement on maximum limits, they shall suspend execution of the commitments with regard to international military manoeuvres, foreign military bases and installations and foreign military advisers for which time-limits have been set in the Act, except in cases where the Parties agree otherwise.

The maximum limits referred to in subparagraphs (a), (b) and (c) and the timetables shall be regarded as an integral part of this Act and shall have the same legally binding force from the day following expiry of the 30 days established for the second stage or the day following their establishment by agreement among the Parties.

Unless the parties agree otherwise, under subparagraph (c) the maximum agreed limits shall be reached 180 days after the entry into force of the Act or in a period established by the Parties.

20. In order to satisfy the requirements of peace, stability, security and economic and social development of the countries of the region and in order to establish maximum limits for the military development of the Central American States and to control and reduce their military levels, the Parties will agree on a table of values that will consider the following basic criteria and in which all armaments will be subject to control and reduction:

(1) Security needs and defence capacity of each Central American State;

(2) Size of its territory and population;

(3) Length and characteristics of its borders;

(4) Military spending in relation to gross domestic product (GDP);

(5) Military budget in relation to public spending and other social indicators;

(6) Military technology, relative combat capability, troops, quality and quantity of installations and military resources;

(7) Armaments subject to control, armaments subject to reduction;

(8) Foreign military presence and foreign advisers in each Central American State.

21. Not to introduce new weapons sytems that alter the quality or quantity of current inventories of war *materiél*.

22. Not to introduce, possess or use lethal chemical weapons or biological, radiological or other weapons which may be deemed to be excessively injurious or to have indiscriminate effects.

23. Not to permit the transit through, stationing, or mobilization in, or any other form of utilization of their territories by foreign armed forces whose actions could mean a threat to the independence, sovereignty and territorial integrity of any Central American State.

24. To initiate constitutional procedures so as to be in a position to sign, ratify or accede to treaties and other international agreements on disarmament, if they have not already done so.

Section 3. COMMITMENTS WITH REGARD TO FOREIGN MILITARY BASES

25. To close down any foreign military bases, schools or installations in their respective territories, as defined in paragraphs 11, 12 and 13 of the annex, within 180 days of the signing of this Act. For that purpose, the parties undertake to submit simultaneously to the Verification and Control Commission, within 15 days of the signing of this Act, a list of such foreign military bases, schools or installations, which shall be prepared in accordance with the criteria set forth in the above-mentioned paragraphs of the annex.

26. Not to authorize in their respective territories the establishment of foreign bases, schools or other installations of a military nature.

Section 4. COMMITMENTS WITH REGARD TO FOREIGN MILITARY ADVISERS

27. To submit to the Verification and Control Commission a list of any foreign military advisers or other foreign elements participating in military, paramilitary and security activities in their territory, within 15 days of the signing of this Act. In the preparation of the list, account shall be taken of the definitions set forth in paragraph 14 of the annex.

28. To withdraw, within a period of not more than 180 days from the signing of this Act and in accordance with the studies and recommendations of the Verification and Control Commission, any foreign military advisers and other foreign elements likely to participate in military, paramilitary and security activities.

29. As for advisers performing technical functions related to the installation and maintenance of military equipment, a control register shall be maintained in accordance with the terms laid down in the respective contracts or agreements. On the basis of that register, the Verification and Control Commission shall propose to the Parties reasonable limits on the number of such advisers, within the time-limit established in paragraph 27 above. The agreed limits shall form an integral part of the Act.

Section 5. COMMITMENTS WITH REGARD TO THE TRAFFIC IN ARMS

30. To stop the illegal flow of arms, as defined in paragraph 15 of the annex, towards persons, organizations, irregular forces or armed bands trying to destabilize the Governments of the States Parties.

31. To establish for that purpose control mechanisms at airports, landing strips, harbours, terminals and border crossings, on roads, air routes, sea lanes and waterways, and at any other point or in any other area likely to be used for the traffic in arms.

32. On the basis of presumption or established facts, to report any violations to the Verification and Control Commission, with sufficient evidence to enable it to carry out the necessary investigation and submit such conclusions and recommendations as it may consider useful.

Section 6. COMMITMENTS WITH REGARD TO THE PROHIBITION OF SUPPORT FOR IRREGULAR FORCES

33. To refrain from giving any political, military, financial or other support to individuals, groups, irregular forces or armed bands advocating the overthrow or destabilization of other Governments, and to prevent, by all means at their disposal, the use of their territory for attacks on another state or for the organization of attacks, acts of sabotage, kidnappings or criminal activities in the territory of another State.

34. To exercise strict control over their respective borders, with a view to preventing their own territory from being used to carry out any military actions against a neighbouring State.

35. To deny the use of and dismantle installations, equipment and facilities providing logistical support or serving operational functions in their territory, if the latter is used for acts against neighbouring Governments.

36. To disarm and remove from the border area any group or irregular force identified as being responsible for acts against a neighbouring State. Once the irregular forces have been disbanded, to proceed, with the financial and logistical support for international organizations and Governments interested in bringing peace to Central America, to relocate them or return then to their respective countries, in accordance with the conditions laid down by the Governments concerned.

37. On the basis of presumption or established facts, to report any violations to the Verification and Control Commission, with sufficient evidence to enable it to carry out the necessary investigation and submit such conclusions and recommendations as it may consider useful.

Section 7. COMMITMENTS WITH REGARD TO TERRORISM, SUBVERSION OR SABOTAGE

38. To refrain from giving political, military, financial or any other support for acts of subversion, terrorism or sabotage intended to destabilize or overthrow Governments of the region.

39. To refrain from organizing, instigating or participating in acts of terrorism, subversion or sabotage in another Stage, or acquiescing in organized activities within their territory directed towards the commission of such criminal acts.

40. To abide by the following treaties and international agreements:

    (a) The Convention for the Suppression of Unlawful Seizure of Aircraft, 1970;

    (b) The Convention to prevent and punish the acts of terrorism taking the form of crimes against persons and related extortion that are of international significance, 1971;

    (c) The Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, 1971;

    (d) The Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, 1973;

    (e) The International Convention against the Taking of Hostages, 1979.

41. To initiate constitutional procedures so as to be in a position to sign, ratify or accede to the treaties and international agreements referred to in the preceding paragraph, if they have not already done so.

42. To prevent in their respective territories the planning or commission of criminal acts against other States or the nationals of such States by terrorist groups or organizations. To that end, they shall strengthen co-operation between the competent migration offices and police departments and between the corresponding civilian authorities.

43. On the basis of presumption or established facts, to report any violations to the Verification and Control Commission, with sufficient evidence to enable it to carry out the necessary investigation and submit such conclusions and recommendations as it may consider useful.

Section 8. COMMITMENTS WITH REGARD TO DIRECT COMMUNICATIONS SYSTEMS

44. To establish a regional communications system which guarantees timely liaison between the competent government, civilian and military authorities, and with the Verification and Control Commission, with a view to preventing incidents.

45. To establish joint security commissions in order to prevent incidents and settle disputes between neighbouring States.

PART II

COMMITMENTS WITH REGARD TO EXECUTION AND FOLLOW-UP

1. The Ministers for Foreign Affairs of the Central American States shall receive the opinions, reports and recommendations presented by the execution and follow-up mechanisms provided for in this Part II and shall take by consensus and without delay the appropriate decisions to ensure full compliance with the commitments entered into in the Act. For the purposes of this Act, consensus means the absence of any express opposition that would constitute an obstacle to the adoption of a decision under consideration and in which all the States Parties are to participate. Any dispute shall be subject to the procedures provided for in this Act.

2. In order to ensure the execution and follow-up of the commitments contained in this Act, the Parties decide to establish the following mechanisms:

   A. *Ad Hoc* Committee for Evaluation and Follow-up of Commitments concerning Political Matters and Refugees and Displaced Persons;

   B. Verification and Control Commission for Security Matters; and

   C. *Ad Hoc* Committee for Evaluation and Follow-up of Commitments concerning Economic and Social Matters.

3. The mechanisms established in the Act shall have the following composition, structure and functions;

   A. *Ad Hoc* Committee for Evaluation and Follow-up of Commitments concerning Political Matters and Refugees and Displaced Persons.

      (a) Composition

      The Committee shall be composed of five (5) persons of recognized competence and impartiality, proposed by the Contadora Group and accepted by common agreement by the Parties. The members of the Committee must be of a nationality different from those of the Parties. The Committee shall have a technical and administrative secretariat responsible for its ongoing operation.

(b) Functions

The Committee shall consider the reports which the Parties undertake to submit annually on the ways in which they have proceeded to implement the commitments with regard to national reconciliation, human rights, electoral processes and refugees.

In addition, the Committee shall receive the communications on these subjects transmitted for its information by organizations or individuals which might contribute data useful for the fulfillment of its mandate.

The Committee shall elicit the information which it deems relevant; to that end, the Party to which the communication refers shall permit the members of the Committee to enter its territory and shall accord them the necessary facilities.

The Committee shall prepare an annual report and such special reports as it deems necessary on compliance with the commitments, which shall include conclusions and recommendations when appropriate.

The Committee shall send its reports to the Parties and to the Governments of the Contadora Group. When the period established by the rules for the submission of observations by the States Parties has expired, the Committee shall prepare final reports, which shall be public unless the Committee itself decides otherwise.

(c) Rules of procedure

The Committee shall draw up its own rules of procedure, which it shall make known to the Parties.

(d) The Committee shall be established at the time of entry into force of the Act.

B. Verification and Control Commission for Security Matters

(a) Composition

The Commission shall be composed of four commissioners, representing four States of recognized impartiality having a genuine interest in contributing to the solution of the Central American crisis, proposed by the Contadora Group and accepted by the Parties.

A Latin American Executive Secretary with technical and administrative duties, proposed by the Contadora Group and accepted by common agreement by the Parties, who shall be responsible for the ongoing operation of the Commission.

(b) Functions

For the performance of its functions, the Commission shall have an International Corps of Inspectors, provided by the member States of the Commission and co-ordinated by a Director of Operations.

The International Corps of Inspectors shall carry out the functions assigned to it by the Commission, according to the procedures that the Commission determines or establishes in its rules of procedure.

The International Corps of Inspectors shall have at its disposal all the human and material resources that the Commission decides to assign to it

in order to ensure strict observance of the commitments on security matters. Its actions shall be prompt and thorough.

The Parties undertake to give the Commission all the co-operation it needs to facilitate and perform its task.

For the purpose of co-operating in the performance of the functions of the Commission, the latter shall have an Advisory Committee consisting of one representative from each Central American State and having the following duties:

1. To serve as a liaison body between the Verification and Control Commission and the Parties.

2. To help in the fulfillment of the duties assigned to the Verification and Control Commission.

3. To co-operate, at the request of the Commission, in the speedy resolution of incidents or disputes.

— The Commission may invite a representative of the Secretary-General of the United Nations and a representative of the Secretary-General of the Organization of American States to participate in its meetings as observers.

— The Commission may establish auxiliary bodies and seek the assistance and collaboration of any Mixed Commissions that may exist.

(c) Functions of the Commission

The function of the Commission shall be to ensure compliance with the commitments assumed concerning to security matters. To that end it shall:

— Verify that the commitments concerning military manoeuvres provided for in this Act are complied with.

— Ascertain that no more military *matériel* is acquired and that military forces are not increased, in accordance with the provisions of paragraph 19 (a) of Chapter III of Part I of this Act.

— Receive simultaneously from the Parties their respective current inventories of armaments and military installations and troops under arms, in accordance with the provisions of subparagraph (b) of the FIRST STAGE in Paragraph 19 of Part I, Chapter III, of this Act.

— Carry out the technical studies provided for in subparagraph (c) of the FIRST STAGE in paragraph 19 of Part I, Chapter III, of this Act.

— Ascertain that the Parties comply fully with the maximum limits agreed to or provisionally in effect for the various categories of armaments, military installations and troops under arms and with the reduction timetables agreed to or provisionally in effect.

— Ascertain that the replenishment supplies, ammunition, spare parts and replacement equipment acquired are compatible with the inventories and registers submitted previously by the Parties and with the limits and timetables agreed to or provisionally in effect

— Verify that no new weapon systems are introduced which qualitatively or quantitatively alter current inventories of war *matériel*, and that weapons prohibited in this Act are neither introduced nor used.

— Establish a register of all weapons transactions carried out by the Parties, including donations and any transfer of war *matériel*.

— Verify fulfillment of the commitment by the States Parties to initiate and complete the constitutional procedures for signing, ratifying or acceding to the treaties and other international agreements on disarmament and follow-up actions directed to that end.

— Receive simultaneously from the Parties the list of foreign military bases, schools and installations and verify their dismantlement, in accordance with the provisions of this Act.

— Receive the census of foreign military advisers and other foreign elements participating in military and security activities and verify their withdrawal in accordance with the recommendations of the Verification and Control Commission.

— Verify compliance with this Act in respect of traffic in arms and consider any reports of non-compliance. For that purpose the following criteria shall be taken into account:

(1) Origin of the arms traffic: port or airport of embarkation of the weapons, munitions, equipment or other military supplies intended for the Central American region.

(2) Personnel involved: persons, groups or organizations participating in the organization and conduct of the traffic in arms, including the participation of Governments or their representatives.

(3) Type of weapon, munitions, equipment or other military supplies; category and calibre of weapons; country in which they were manufactured; country of origin; and the quantities of each type of weapon, munitions, equipment or other military supplies.

(4) Extra-regional means of transport: land, maritime or air transport, including nationality.

(5) Extra-regional transport routes: indicating the traffic routes used, including stops or intermediate destinations.

(6) Place where weapons, munitions, equipment and other military supplies are stored.

(7) Intra-regional traffic areas and routes: description of the areas and routes; participation of governmental or other sectors in or consent to the conduct of the traffic in arms; frequency of use of these areas and routes.

(8) Intra-regional means of transport: determination of the means of transport used; ownership of these means; facilities provided by Governments, governmental and other sectors; and other means of delivery.

(9) Receiving unit or unit for which the arms are destined: determination of the persons, groups or organizations to whom the arms traffic is destined.

— Verify compliance with this Act with regard to irregular forces and the non-use of their own territory in destabilizing actions against another State, and consider any report in that connection.

To that purpose, the following criteria should be taken into account:

(1) Installations means, bases, camps or logistic and operational support facilities for irregular forces, including command centres, radiocommunications centres and radio transmitters.

(2) Determination of propaganda activities or political material, economic or military support for actions directed against any State of the region.

(3) Identification of persons, groups and governmental sectors involved in such actions.

— Verify compliance with the commitments concerning terrorism, subversion and sabotage contained in this Act.

— The Commission and the States Parties may request, as they deem appropriate, the assistance of the International Committee of the Red Cross in helping to solve humanitarian problems affecting the Central American countries.

(d) Rules and procedures

— The Commission shall receive any duly substantiated report concerning violations of the security commitments assumed under this Act, shall communicate it to the Parties involved and shall initiate such investigation as it deems appropriate.

— It shall also be empowered to carry out, on its own initiative the investigations it deems appropriate.

— The Commission shall carry out its investigations by making on-site inspections, gathering testimony and using any other procedure which it deems necessary for the performance of its functions.

— Without prejudice to its quarterly and special reports, the Commission shall, in the event of any reports of violations or of non-compliance with the security commitments of this Act, prepare a report containing recommendations addressed to the Parties involved.

— The Commission shall be accorded every facility and prompt and full co-operation by the Parties for the appropriate performance of its functions. It shall also ensure the confidentiality of all information elicited or received in the course of its investigations.

— The Commission shall transmit its reports and recommendations to the States Parties and to the Governments of the Contadora

Group on a confidential basis. It may make them public when it considers that that would contribute to full compliance with the commitments contained in the Act.

(d) Rules of procedure

— After the Commission is established, it shall draw up its own rules of procedure in consultation with the States Parties.

(e) Duration of the mandate of the Commissioners

— The representatives of the member States of the Commission shall have an initial mandate of two years, extendable by common agreement among the Parties, and the States participating in the Commission.

(f) Establishment

— The Commission shall be established at the time when the Act is signed.

C. *Ad Hoc* Committee for Evaluation and Follow-up of Commitments concerning Economic and Social Matters.

(a) Composition

— For the purposes of this Act, the Meeting of Ministers for Economic Affairs of Central America shall constitute the *Ad Hoc* Committee for Evaluation and Follow-up of Commitments concerning Economic and Social Matters.

— The Committee shall have a technical and administrative secretariat responsible for its ongoing operation; this function shall be assumed by the Secretariat of Central American Economic Integration (SIECA).

(b) Functions

— The Committee shall receive the annual reports of the Parties concerning progress in complying with the commitments concerning economic and social matters.

— The Committee shall make periodic evaluations of the progress made in complying with the commitments concerning economic and social matters, using for that purpose the information produced by the Parties and by the competent international and regional organizations.

— The Committee shall present, in its periodic reports, proposals for strengthening regional co-operation and promoting development plans, with particular emphasis on the aspects mentioned in the commitments contained in this Act.

4. Financing of the Execution and Follow-up Mechanisms

(a) The Execution and Follow-up Mechanisms referred to in Part II of the Act shall be financed through a Fund for Peace in Central America.

(b) The resources for that Fund shall be obtained in the form of equal contributions by the States Parties and additional contributions obtained from other States, international organizations or other sources, which may be managed by the Central American States with the collaboration of the Contadora Group.

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